



DEPARTMENT OF PUBLIC WORKS

PROVINCE OF KWAZULU-NATAL ~ ISIFUNDAZWE SAKWAZULU-NATALI

ANNUAL REPORT

2011–2012

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OFFICIAL HANDOVER OF 2011-12 ANNUAL REPORT

To: HON MEC R R Pillay;

MEC for Human Settlements and Public Works



I have the honour of submitting the Annual Report of the **KZN Public Works Department** for the period 1 April 2011 to 31 March 2012.

From: Mr. A Govender;

Accounting Officer



KZN DEPARTMENT OF PUBLIC WORKS

VOTE 14

2011/12 ANNUAL REPORT

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1. GENERAL INFORMATION

1.1 Vision, Mission and Values

VISION

“A thriving economy through infrastructure development and property management.”

MISSION

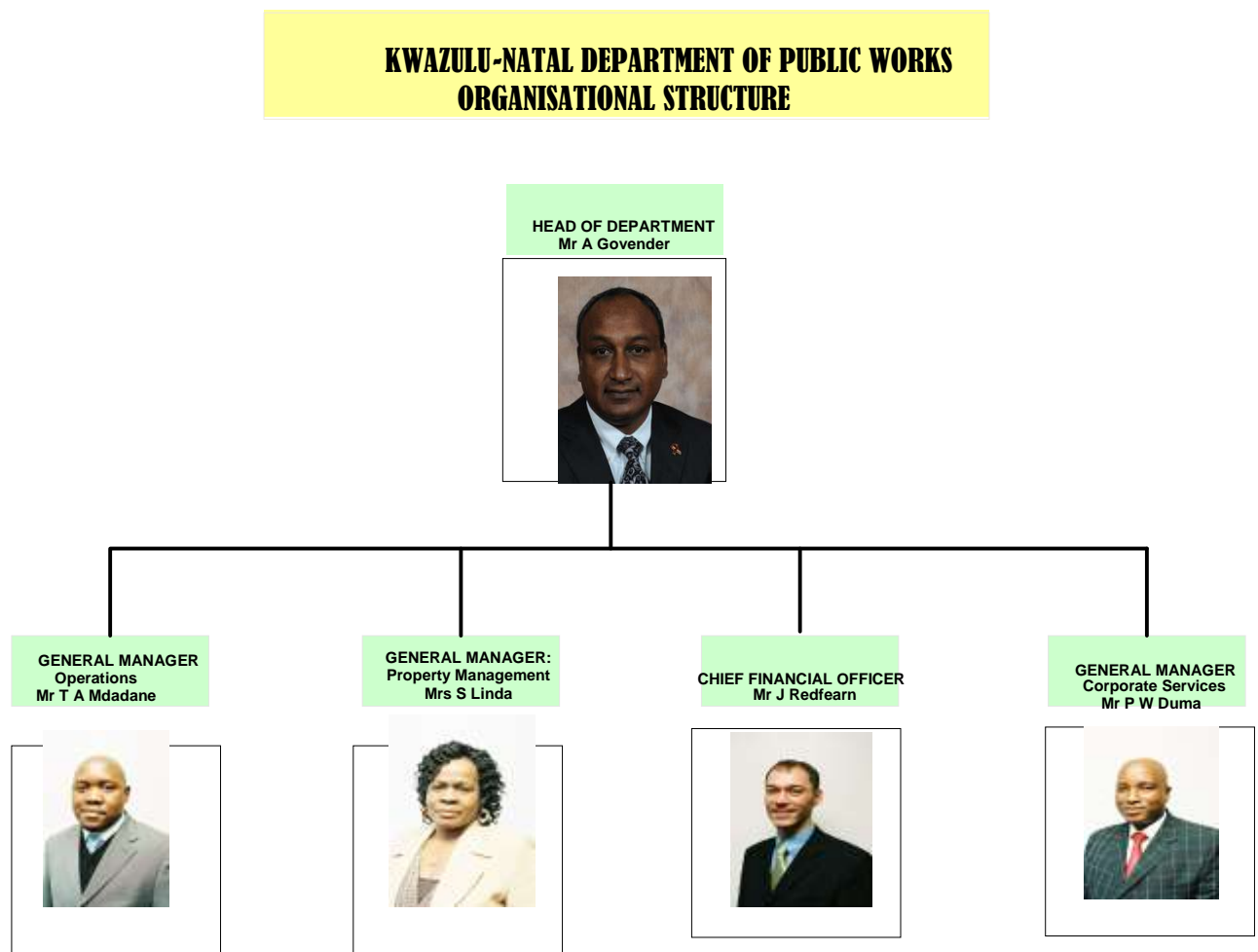
“We will lead in infrastructure development and property management in Kwazulu – Natal”.

CORE VALUES

The KwaZulu-Natal Department of Public Works has been guided by the following values:

- Batho Pele Principles
- The Citizens Charter
- Cost Effectiveness : Value for money
- Quality : We will adhere to prescribed standards
- Professionalism : We will take pride in everything we do
- Integrity : We will be honest and reliable in all our dealings
- Service Excellence : We will be proactive in responding to the needs of our clients
- Corporate Governance : Good Governance

1.2 Organisational Structure



1.3 Legislative Mandates

Within the broad statutory mandates of government institutions, the following mandates guide the KZN Public Works department's core functions:

- ◆ The Construction Industry Development Board Act No. 38 of 2000;
- ◆ Property Valuers Professional Act No. 47 of 2000;
- ◆ National Building Regulations and Building Standards Act No. 103 of 1977;
- ◆ Council for the Built Environment Act No. 43 of 2000;
- ◆ Engineering Profession Act No. 46 of 2000;
- ◆ Architectural Profession Act No. 44 of 2000;
- ◆ Quantity Surveying Profession Act No. 49 of 2000;
- ◆ Project and Construction Management Professions Act No. 48 of 2000;
- ◆ Occupational Health and Safety Act No. 85 of 1993;
- ◆ Occupational Injuries and Diseases Act No. 130 of 1993;
- ◆ State Land Disposal Act No. 48 of 1961;
- ◆ Deeds Registry Act No. 47 of 1937;

- ◆ Expropriation Act No. 63 of 1975;
- ◆ Prevention of Illegal Eviction from, and unlawful occupation of land Act No. 19 of 1998;
- ◆ National Environmental Management Act No. 107 of 1988;
- ◆ KwaZulu-Natal Land Administration Act, 3 of 2003
- ◆ The KwaZulu–Natal Heritage Act 10 of 1977,
- ◆ Broad Based Black Economic Empowerment Act No. 53 of 2003;
- ◆ Promotion of Administrative Justice Act No. 3 of 2000;
- ◆ Promotion of Access to Information Act No. 2 of 2000;
- ◆ Labour Relations Act No. 66 of 1995;
- ◆ Employment Equity Act No. 55 of 1998;
- ◆ South African Qualification Authority Act No. 58 of 1995;
- ◆ Skills Development Act No. 97 of 1998;
- ◆ Public Finance Management Act No. 1 of 1999;
- ◆ Preferential Procurement Policy Framework Act No. 2 of 2000
- ◆ Basic Conditions of Employment Act No. 75 of 1997; and
- ◆ Government Immovable Asset Management Act No. 19 of 2007

1.4 Entities Reporting to the MEC

There are no entities reporting to the MEC in the KZN Public Works Department.

1.5 MEC FOREWORD



Mr RR Pillay [MPL]

MEC for Human Settlements and Public Works

This Annual Report for the 2011/12 financial year reviews the achievements of the KwaZulu-Natal Department of Public Works during the second year of implementing its five-year Strategic Plan within the framework of national and provincial priorities. The Department has committed itself to the following priorities within its Annual Performance Plan for 2011/12:

- Eliminate waste and improve service delivery by intensifying the fight against fraud and corruption;
- Poverty alleviation and the creation of work opportunities;
- To address the land and building needs of provincial departments as per their confirmed requests;
- To efficiently and effectively manage the provincial Fixed Asset Register;
- To effectively manage immovable assets in terms of GIAMA by developing long term User and Custodian Asset Management Plans;
- To meet job creation, skills development and sector transformation objectives through implementation of established programmes;
- To provide strategic leadership, effective corporate governance and to build internal capacity;
- Implement efficient financial management systems in full compliance with the PFMA, Treasury Regulations and Practice Notes.

In meeting the Department's mandate and in heeding our President's call to improve service delivery, create work opportunities and contribute towards our goal of a better life for all, the Department utilised the Integrated Infrastructure Delivery Improvement Programme (IDIP) to meet the short-to-medium term building infrastructure needs of provincial client departments.

Progress in infrastructure delivery included the construction and completion of 34 classrooms, 71 toilets and 236 maintenance projects for the Departments of Education and Health.

The Property Management component of the Department ensured that there is better planning and management of immovable state assets through adherence to the provisions of the Government Immovable Asset Management Act (GIAMA) as well as attempting to

achieve completeness of the provincial Fixed Asset Register. As part of this process, the Department received an unqualified audit opinion in terms of disclosure of assets for the Financial Year.

Sustained government investment in infrastructure development is expected to continue to play a major role in economic recovery efforts. By providing efficient and effective services within the constraints of time, cost and quality will hopefully assist the Department in becoming the service provider of choice for client departments. The department is currently working closely with Provincial Treasury in formalizing a policy document to articulate uniform processes that will be followed by all KwaZulu-Natal Provincial Departments in the planning, budgeting, procurement, implementation, reporting, monitoring and evaluation of infrastructure projects in the Province, in line with government's priority of identifying infrastructure delivery as one of the key mechanisms to enhance socio-economic growth and development.

Skills development and the creation of employment is a key priority of Government. The implementation of skills development initiatives in an effort to address the scarcity of skills within the technical fields that relate to the Department's core function has become an integral part of our key focus areas. Learnerships and internship programmes accounted for 27 appointments within the Department.

The implementation of the Expanded Public Works Programme (EPWP) during infrastructural delivery has been paramount. Significantly, a considerable amount of effort has gone into the creation of work opportunities and we are pleased to report that we have exceeded the expectations of us – 137,207 work opportunities equating to 8,271 jobs within the Expanded Public Works Programme (EPWP) have been created during the year under review.

The Department continues to build capacity in the built environment to support economic growth within that sector. With regard to sector specific skills, 43 participants attended the Property Incubator Programme training. Regarding construction, 379 contractors have been trained in contract management.

Youth comprise 70% of the population of KwaZulu-Natal. The Department initiated several programmes aimed at developing the skills of young people. Our National Youth Service programme assists learners to acquire skills in various technical fields, bricklaying, carpentry and plastering. Thirty learners have been placed in sustainable jobs within their municipalities.

The Department continues to combat fraud and corruption through internal awareness workshops and the establishment of Risk Management Committees. In implementing the Fraud Prevention Strategy, the Department has developed partnerships with law enforcement agencies to accentuate its zero tolerance commitment to eradicate fraud and corruption. Furthermore, all employees in the department are required to disclose their financial interests.

The Department has consistently complied with the provincial cost-cutting measures and has reduced wastage in order to enhance and improve service delivery.

I would like to recognise the efforts of the management of the Department in providing strategic leadership, continuously promoting a culture of good governance and ensuring that

support systems and processes are in place and are fully functional in an endeavor to deliver on its mandate. Let us continue to work cooperatively with all partners to respond to the service delivery needs of all our stakeholders in KwaZulu-Natal. Collective effort has contributed to the achievements of the Department but we must also take cognizance of areas that require improvement. We will always remain committed to working together for growth, development and a better future for the citizenry of the Province

A handwritten signature in black ink, appearing to read 'RR Pillay', is positioned above a solid horizontal line.

Mr RR Pillay [MPL]

Executive Authority: KwaZulu-Natal Human Settlements and Public Works

MEC: Human Settlements and Public Works

1.6 Overview by the Head of Department

The mission of the department is to take the lead in infrastructure development and property management in KwaZulu-Natal provincial administration. The department provides the following core services:

- Acquisition of buildings and land through purchase, hiring and leasing;
- Management of the asset register for provincial fixed assets [land and buildings]
- Construction of public buildings, including both new construction and renovation;
- Maintenance of public buildings and land, including needed repairs and improvements, and,
- Alienation of public buildings and land, including disposal of fixed assets by sale, demolition, exchange and donation.

During the 2011/12 financial year, the department maintained its focus on its established programmes as per the 5-year strategic plan and the annual performance plan. This was done as a strategic move towards the implementation of the 2010-2015 Medium Term Strategic Framework (MTSF) since these programmes continue to respond to the national objectives of building economic and social infrastructure, intensifying skills' development, creating decent jobs, broad based Black economic empowerment and sustainable livelihoods contained in the new MTSF.

The department recognized provincial government's new call for the agrarian reform and established food gardens within the department's facilities. Proceeds from these were distributed amongst needy families identified through the Operation Sukuma Sakhe programme. The departmental strategic goals for the 2011/12 financial year, in line with the focus stated above, are listed below:

- To improve integrated service through implementing the multi-year service delivery model, the Infrastructure Delivery Improvement Programme (IDIP)
- To provide and facilitate the provision of accommodation and property management services to satisfy client needs
- To achieve optimal utilization of fixed state assets through effective implementation of the Government Immovable Asset Management Act
- To create jobs through massification of the Expanded Public Works Programme (EPWP) and Izandla Ziyagezana Programme
- To enhance the benefits of programmes to bridge the gap between the first and

second economy and the anti-poverty campaign through Broad Based Black Economic empowerment through targeted interventions to bridge the gap between the first and second economy such as:

- Skills development
 - Employment creation
 - Creation of an enabling environment to attract women, youth and the disabled to the construction industry through active support for emerging contractors and consultants
- To implement the National Youth Service programme
 - To ensure effective and efficient management of the department's financial resources
 - To have a competent, empowered and motivated workforce
 - To ensure effective monitoring, reporting and communication of departmental objectives and achievement at all levels.

The department's budget allocation increased as a result of the additional allocation with regards to the Conditional Grant for the payment of property rates. The department received an additional allocation of R505 million in the adjusted budget in respect of this conditional grant. At the end of the financial year the department had spent R489 million or 96.8% of its budget.

To increase its internal capacity, the department continued to recruit interns and award bursaries in the scarce skills categories, train employees in line with the Workplace skills plan. The ABET programme continued with the assistance of the department of Education and Transport. The Department also continued to pay attention to achieving its employment equity objectives, although challenges remain in meeting gender equity and the disabled categories.

Through the Infrastructure Delivery Improvement Programme (IDIP), the Department provided services to all client departments valued at R1.643 billion on infrastructure and R193 million on the hiring of Properties for Provincial Government. The Department has tabled a proposal and obtained approval from Treasury to undertake a Feasibility Study to build a Provincial Government Office Park in Pietermaritzburg, since this city incurs the highest expenditure in terms of hirings. This process is at an advanced stage and will be tabled within the 1st quarter of the 2012/2013 Financial Year to the Cabinet Committee for the management of Fixed Assets.

The department continued to respond to client needs for office accommodation through property purchases and hirings as well as property letting or disposal in areas of need. Updating of the property register remained a priority activity and engagements of the Department of Rural Development and Land Affairs and all provincial departments to ensure effective management of issue of immovable assets and their disclosure in the financial

statements. The quality of the register continues to be enhanced. In terms of long term asset maintenance planning in line with the Government Immovable Asset Management Act, the department has received all of the draft User Asset Management plans. The department will continue to devote its efforts to improving the quality of the information in consultation with client departments. The department also continued to provide client departments with the results of the annual property audits to assist them with asset maintenance planning.

The EPWP programme exceeded its annual job creation target of 28 000 with 137 207 job opportunities being achieved which is equivalent to 8271 jobs created. The Programme continued to contribute to the provincial EPWP targets through the application of labour intensive methods in the department's infrastructure projects and upscaling of the Izandla Ziyagezana and KZN Integrated Greening Programmes.

The achievement of these objectives is testimony to the efforts and commitment of the management and staff of the Department of Public Works, and these efforts are hereby warmly acknowledged.

A handwritten signature in black ink, appearing to be 'A. Govender', with a stylized flourish at the end.

Mr A Govender

HOD : Department of Public Works

2. INFORMATION ON PRE-DETERMINED OBJECTIVES

2.1 Overall Performance

2.1.1 Voted Funds

Voted funds for 2011/12

| Appropriation | Main Appropriation (R' 000) | Adjusted Appropriation (R' 000) | Actual Amount Spent | Under / (Over) Expenditure (R'000) |
|--------------------------|--------------------------------|------------------------------------|---------------------|---------------------------------------|
| Vote 14 | R1,220,407,000.00 | R1,212,970,000.00 | R1,182,268,000.00 | R30,702,000.00 |
| Responsible MEC | MEC For KZN Public Works | Hon. R R Pillay | | |
| Administering Department | KZN Department of Public Works | | | |
| Accounting Officer | Head of Department | Mr. A Govender | | |

2.1.2 Aim of vote

The main aim of the vote is to enable the department to provide building infrastructure and property management services to all departments in the Kwazulu – Natal provincial government.

2.1.3 Summary of Programmes

The activities of the KZN Public Works Department are organized in the following programmes:

Programme 1: Administration

Programme 2: Real Estate

Programme 3: Provision of buildings, structures & equipment (Operations)

The purpose of each programme is detailed under 2.2 below.

2.1.4 Key strategic objectives achievements

Programme 1: Administration

- The Department filled 97% of posts on the approved Human Resource Provisioning Plan which is an improvement on the 78%

of the posts filled in 2010/11. The overall vacancy rate increased marginally from 9.5% in 2010/11 to 19% in 2011/2012.

- The Internship Programme, whose objective is to fill the skills gap in the critical occupational categories, had a total of 27 interns appointed from a target of 11.
- In terms of contributing to the Provincial Transformation Profile; the department aims to achieve a 50: 50 gender representation for all its employees. In 2011/12, 39% of all posts were occupied by women, a marginal improvement on the 38.25% of posts filled by women in 2010/11 but still below the target.
- As indicated in subsection 2.1.9 below, the Department of Public Works under-spent its 2011/12 Final Appropriation, with savings of R30, 702 million, which is 97.5 per cent of budget.
- The department continued to liaise closely with client departments in order to recover claims due and minimize cash flow problems. The department collected revenue totalling R6,116 million in 2011/12, exceeding the revenue budget by 48.4 per cent, with all areas showing over-collection

Programme 2: Real Estate

- Updating of the Fixed Asset register continued to be a key performance area. 8524 of 11461 fixed assets were fully updated in the Fixed Asset Register. Extra effort was put to ensure compliance with GIAMA.
- A total of 173 properties were audited, which was a more than the 100% (108) planned achievement for the year 2011/12
- The department hired 23 properties of the targeted 24 properties for 2011/12. The shortfall was due to delay of submission of funds by clients. The department continued to face challenges due to client and lengthy acquisition processes, delays with surveys and delays in funds approval for some properties.
- 112 jobs were created under the Izandla Ziyagezana Programme on new sites compared to the targeted 132 jobs. The shortfall

was due to the withdrawal of some beneficiaries from the programme due to deaths and better opportunities.

Programme 3: Provision of buildings, structures and equipment (Operations)

- The department spent R1, 643 billion of client department budgets in implementing infrastructure building projects contracted to it by the client departments compared to R929 795 million spent in the previous year, equating to 96% of expenditure.
- The department cleared 42 of the 30 backlog toilet projects and 38 backlog classroom projects in 2011/12. The remainder was scheduled for completion in the following year. Non-performance by contractors and lack of Project Managers contributed to the shortfall in clearing the backlog.
- The EPWP programme created 137,207 Work Opportunities against a target of 28 000. The overachievement was due to the up-scaling of Izandla Ziyagezana and the KZN Greening Integrated Programme in 2011/12. This equates to 8 271 actual jobs created.

2.1.5 Overview of the service delivery environment for 2011/12

- In line with the five-year strategic plan for 2010/11 – 2014/15, the department had the opportunity to deliver on some of the 10 national strategic priorities by utilizing developed programmes already in the Provincial Programme of Action (e.g. Expanded Public Works Programme; National Youth Service; Izandla Ziyagezana; Masakhe Emerging Contractor Development; Internship; Bursary; and Learnership programmes) and further make these to be an integral part of the Premier's Flagship Programme.
- The department faced the challenge of poor contractor performance in the delivery of building infrastructure to client departments.

2.1.6 Overview of the organisational environment for 2011/12

- The department utilised its accumulated experience in the Building Environment as well as its established business systems and processes to maximise the delivery of high quality projects and property management services.
- However, internal human resource capacity constraints continued to affect the department. The department initiated the recruitment of project manager interns to alleviate the shortage of project managers that was limiting the department's ability to effectively manage the outsourced specialist skills in the provision of building infrastructure.

2.1.7 Key policy developments and legislative changes

There were no significant revisions to the department's legislative or other mandates during the planning and implementation periods of the 2011/12 Annual Performance Plan.

2.1.8 Departmental revenue, expenditure, and other specific topics

The table below shows the revenue budget for the Department of Public Works for 2011/12, and the actual revenue collected for the year.

**Details of provincial own receipts - Vote 14 -
2011/12**

| R thousand | Actual | Final Appropriation | Over/ (Under) | % collected |
|--|---------------|--------------------------------|--------------------------|--------------------|
| | (1) | (2) | (3) = (2) - (1) | (4) = (1) / (2) |
| Tax receipts | - | - | - | - |
| <i>Casino taxes</i> | - | - | - | - |
| <i>Horse racing taxes</i> | - | - | - | - |
| <i>Liquor licences</i> | - | - | - | - |
| <i>Motor vehicle licences</i> | - | - | - | - |
| Sale of goods and services other than capital assets | 4, 717 | 3, 208 | 1, 509 | 147.0 |
| Transfers received | - | - | - | - |
| Fines, penalties and forfeits | - | - | - | - |
| Interest, dividends and rent on land | 198 | 131 | 67 | 151.1 |
| Sale of capital assets | - | - | - | - |
| Transactions in financial assets and liabilities | 1, 201 | 781 | 420 | 153.8 |
| Total | 6, 116 | 4, 120 | 1, 996 | 148.4 |

The department collected revenue totalling R6.116 million in 2011/12, exceeding the revenue budget by 48.4 per cent, with all areas showing over-collection.

The main source of the over-collection was *Sale of goods and services other than capital assets*, which is also the largest contributor to the department's total revenue collected, at R4.717 million. The main contributors to this category are housing rent recoveries, rent for parking and rental received for state property. The over-collection of R1.509 million is mainly due to the unanticipated sale of redundant motor vehicles and other equipment, including cell-phones. It must be noted that the revenue from the sale of motor vehicles should be classified as *Sale of capital assets*, and journals will be processed to correct this. Also contributing to the over-

collection was a higher than anticipated increase in collection on rental for dwellings and non-residential buildings in various regions, mainly the Midlands, North Coast and eThekweni.

Another driver of the over-collection is *Interest, dividends and rent on land*, which recorded an over-collection of R67 000. The department attributes this to an increase in collection on rent on land.

Also over-collected was *Transactions in financial assets and liabilities*, where collections were 153.8 per cent of Final Appropriation, or R420 000 above budget. This was mainly due to an unanticipated collection of out of service debt, which is difficult to forecast.

2.1.9 Departmental expenditure

The table below illustrates actual expenditure for Vote 14 for 2011/12, per programme and economic classification, respectively. Also given in the tables are the Adjusted Appropriation, any virements made after the tabled Adjustments Estimate, and the Final Appropriation.

Summary of expenditure analysis by programme - Vote 14 - 2011/12

| R thousand | Actual | Adjusted Appropriation | Virement Post Adj. Est. | Final Appropriation | Under/ (Over) | % spent |
|--|------------------|---------------------------|-------------------------------|------------------------|------------------|-------------|
| | (1) | (2) | (3) | (4) = (2) + (3) | (5) = (4) - (1) | (1) / (4) |
| 1. Administration | 273 226 | 268 032 | 5 181 | 273 213 | (13) | 100.0 |
| 2. Real Estate | 580 466 | 601 279 | (4 565) | 596 714 | 16 248 | 97.3 |
| 3. Provision of Buildings, Structures & Equip. | 328 576 | 343 659 | (616) | 343 043 | 14 467 | 95.8 |
| | - | - | - | - | - | - |
| Total | 1 182 268 | 1 212 970 | - | 1 212 970 | 30 702 | 97.5 |

As is reflected in the above table, the Department of Public Works under-spent its 2011/12 Final Appropriation by R30,702 million, with spending at 97.5 per cent of budget.

- Programme 2: Real Estate was under-spent at 2.7 per cent, or by R16.248 million. The department surrendered conditional grant funding of R55 million for the Devolution of Property Rate Funds Grant to Provinces, from this programme. The under-spending of R16.248 million is in addition to this surrendered amount, and is mainly ascribed to over funding on the conditional grant.
- Programme 3: Provision of Buildings, Structures and Equipment was under-spent at 4.2 per cent, or by R14.467 million. The under-spending was mainly due to slow spending against *Buildings and other fixed structures* as follows:
 - The Ixopo Office Park was delayed due to the late receipt of claims/payments for under-floor heating pipe-work, as well as inclement weather.
 - The Southern regional office where delays were caused by a dispute with the contractor regarding quality of work and the contractor securing a court order to occupy the site. The department is now awaiting a further court decision in an attempt to remove the contractor, before proceeding with a new tendering process.
 - The Public Works head office which was delayed due to sub-division issues still to be finalised with the local municipality.
 - The Dundee and Greytown district offices, as well as the Midlands regional office projects were delayed due to problems with the quality of work.

Funds have been requested to be rolled over for the above commitments.

2.1.10 Transfer payments

Transfer payments as reflected in the Annual Financial Statement are in respect of payment of Municipal rates to municipalities, transfer to households in respect of severance packages and Departmental Agencies and Accounts in respect of skills development levy and workman's compensation.

2.1.11 Conditional grants and earmarked funds

The table below shows the actual expenditure incurred in 2011/12 on national conditional grants by the department, against the 2011/12 Final Appropriation.

Summary of conditional grants - Vote 14 - 2011/12

| R thousand | Preliminary Actual | Final Appropriation | Adjust- ments | Final Appropriation | Under/ (Over) | % spent |
|--|-----------------------|------------------------|------------------|------------------------|------------------|-------------|
| | (1) | (2) | (3) | (4) = (2) + (3) | (3) = (2) - (1) | (1) / (2) |
| Devolution of Property Rate Funds Grant to Provinces | 489,480 | 505,880 | - | 505,880 | 16,400 | 96.8 |
| EPWP Incentive Grant for Provinces | 4,683 | 1,961 | | 1,961 | (2,722) | 238.8 |
| Total | 494,163 | 507,841 | - | 507,841 | 13,678 | 97.3 |

As was mentioned earlier, the Devolution of Property Rate Funds Grant to Provinces was decreased by an amount of R55 million which was surrendered back to National Public Works. This was due to disputed invoices with the eThekweni Metro which were not payable as the properties concerned did not belong to the province. This is in keeping with Gazette Number 35138 issued by National Treasury which mandated the reduction of R55 million from KZN and R27 million from North West for reallocation to Free State (R20.200 million), Northern Cape (R25 million) and the Western Cape (R36.800 million) following demonstrated capacity to spend in these provinces.

The under-spending of R16.400 million on the Devolution of Property Rate Funds Grant to Provinces relates to the previously mentioned late receipt of invoices and other billing challenges in respect of invoices received from some municipalities for property rates. The department is confident that the funding in 2012/13 is sufficient to cover these costs, and will monitor the situation going forward.

The department spent 238.8 per cent more than the budget for the EPWP Incentive Grant for Provinces. The reason for the over-spending is that the department had identified projects in excess of the original budget by R2.722 million, which is in line with the conditions of the grant, where additional allocations could be made upon receipt of proof of spending.

2.1.12 Maintenance and Asset Management Plan

The implementation of GIAMA commenced on 1 April 2011 with the funding having been provided. The Department has conducted Condition Assessments to the Administrative buildings. The findings will inform the maintenance backlog and the physical condition

of the assessed assets. This will also influence the budgetary allocation for infrastructure development and maintenance. This process also depicts the picture of assets life-cycle and completeness of data in the register.

In the process of implementation of GIAMA, the user Departments compile User Asset Management plans (U-AMPs) in line with their service delivery objectives.

In this financial year the focus of condition assessments will be on health facilities. This is done in a phased-in approach due to limited budget.

The implementation of GIAMA, necessitated the review of the KZN Land Admin Act, 2003, hence the new KZN Land Administration and Immoveable Asset Management Bill, 2010 of which we are currently awaiting approval.

2.2 PROGRAMME PERFORMANCE

The activities of the (KZN Public Works Department are organized in the following programmes:

Programme 1: Administration

Programme 2: Real Estate

Programme 3: Provision of buildings, structures & equipment (Operations)

2.2.1 Programme 1: Administration

Purpose: The purpose of this programme is to provide overall management support within the department. The core services rendered by the Administration programme in 2011-12 were:

- Providing strategic leadership and management
- Providing support to the Member of the Executive Council
- Building a positive corporate culture
- Rendering support and advice in terms of:
 - Human resource practices and policies;
 - All legal matters, security and logistics;
 - Effective communication and information management systems.
- Ensuring M & E Systems are in place;
- Rendering sound financial management services and risk management

The strategic objectives, annual targets and actual performance for 2011 -12 for the administration programme are detailed below:

Programme 1: Administration - Strategic Leadership and Management

| PROGRAMME 1: ADMINISTRATION - STRATEGIC LEADERSHIP AND MANAGEMENT | | | | |
|---|--|---|--|----------------------|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| Champion the Strategic Planning Process | Strategic Planning session held by due date | July 2011, Annual Performance Plan, Annual Report & Mid-term review July 2010 | Successful Strategic Planning Review Session was held by set date, 2012/2013 APP, 2011/2012 Annual Report and Mid-term report produced | None |
| Effective participation and contribution to the District and Provincial in the Operation Sukuma Sakhe | Monthly Regional Reports to EXCO on participation and involvement | Regular participation & involvement | Regular reports produced and tabled at EXCO. Departmental officials participates in the Operation Sukuma Sakhe Programme (OSS) but there is a need to improve on our participation and involvement | None |
| Initiation of programmes for leadership and management development | Senior management exposed to the leadership & management programme | 15 SMS managers trained | Seventeen (17) SMS were trained in Change Management, Retirement Planning, Public Partnerships, Ethics and Values, and the Compulsory Induction Programme. | |

| PROGRAMME 1: ADMINISTRATION - STRATEGIC LEADERSHIP AND MANAGEMENT | | | | |
|---|---|--|---|--|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | | |
| Provide effective monitoring and Evaluation Services | M & E Framework reviewed and implemented | Implementation of the M & E tool Linking the tool with other performance management systems | The M & E Framework is in place but consideration is still being given to a practical and effective business solution. | Linkages with other initiatives such as the GWEA Project and the SAS Strategy are under consideration for full implementation of a consistent and value adding tool. |
| | No of Quarterly Performance Reports submitted to Treasury | 4 | 4 Quarterly Performance Reports have been submitted to Provincial Treasury | Nil |
| Provide total security management | Clear standards and sops that relate to information technology security established | Compliance with MISS and other relevant legislation Implementation and review | The following SOPS have been established: <ul style="list-style-type: none"> • Server Room Access and Control • TippingPoint Intrusion Detection and Protection System • FortiNet Firewall System • Forefront EndPoint Protection for desktops and servers • Forefront Protection for Exchange | |

| PROGRAMME 1: ADMINISTRATION - STRATEGIC LEADERSHIP AND MANAGEMENT | | | | |
|---|---|---|--|----------------------|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | Threat Management Gateway SPAM and Internet Control | |
| Provide and manage effective communication | Communication Strategy in place and implemented | Adopt and implement provincial communication strategy | The Provincial Communication Strategy is in place and is being followed. | |

Programme 1: Administration - Corporate Services

| PROGRAMME 1: ADMINISTRATION - CORPORATE SERVICES | | | | |
|--|---|-----------------------------------|---|---|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| To improve work ethics, service delivery and professionalism within the department | Number of Workshops to promote Departmental Service Commitment Charter (DSCC) | 8 | Ten (10) workshops were held. | |
| To ensure the reduction of the vacancy rate | % posts filled on an approved provisioning plan | 100% | Ninety seven (97%) of posts on the approved Human Resource Provisioning Plan were filled. | A total of 122 employees left the Department through service terminations and transfers out. |
| Provision of fleet within the department to support the departmental business | % of allocated budget for the procurement of vehicles to support service delivery | 100% Budget Utilisation | 100% of the budget was utilised. | |

| PROGRAMME 1: ADMINISTRATION - CORPORATE SERVICES | | | | |
|---|---|--|---|--|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| Ensure provision of sound labour relations including organised labour | Improved relations with organised labour through established forum meetings | 20 Meetings | Ten (10) labour relation forum meetings and twelve (12) labour relations workshops were held. | |
| | Reduction of grievances and misconduct cases | 80% of reported grievance cases finalised | Seventy nine percent (79%) of cases finalised. | Thirty (30) days timeframe is not complied with. Capacity challenges as a result of limited practical knowledge and vacant posts. |
| | | 80% of reported misconduct cases finalised | Thirty three percent (33%) of cases finalised. | Cases postponed for various reasons, on account of non-availability of key role-players. Limited pool of trained and willing Presiding, Prosecuting and Investigating Officers. |

PROGRAMME 1: ADMINISTRATION - CORPORATE SERVICES

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|--|--|-----------------------------------|---|----------------------|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| Ensure submission of financial disclosures by all Departmental employees | Signed disclosure forms by 30 June 2010 | 100% compliance | One hundred percent (100%) of SMS members and 97% of Level 1 to 12 staff submitted signed financial disclosure forms. | |
| | Disclosure forms submitted to finance for analysis | All forms analysed | All signed forms were sent to finance for analysis | |

| PROGRAMME 1: ADMINISTRATION - CORPORATE SERVICES | | | | |
|---|--|-----------------------------------|---|--|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| To implement a learnership programme | Number of Learnerships | 105 Artisan Learners trained | One hundred and five (105) employees participated in a skills programme. Three learnerships started in the Southern Region. | |
| To implement an internship programme | Number of interns appointed | 11 | Twenty seven interns were appointed. | |
| To contribute towards skills development of the rural communities | Proportion (%) of total bursaries awarded in rural areas | 60% | 9.3% of bursaries awarded in rural areas. | Limited number of applicants from rural areas |
| To provide Adult Basic Education and Training (ABET) | Number of staff trained in line with ABET Programme | 250 | One hundred and ninety two (192) learners are on the AET programme through the Department of Transport and the Department of Education. | No budget allocated for AET Programme. Some potential AET learners were unable to participate in the programme due to unavailability of the DoE programme in their areas. |

| PROGRAMME 1: ADMINISTRATION - CORPORATE SERVICES | | | | |
|--|-----------------------------------|-----------------------------------|--|----------------------|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | | |
| To implement a Workplace Skills Plan | % of officials trained as per WSP | No of officials trained | Eighty one percent (81%) of staff have been trained as per Workplace Skills Plan | |

Programme 1: Administration - Finance Programme 1: Administration - Finance

| PROGRAMME 1: ADMINISTRATION - FINANCE | | | | |
|---|--|-----------------------------------|--|---|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/12 | ACTUAL | |
| To be fully compliant with PFMA & Treasury Regulations and practice notes | ◆ Unqualified audit report for previous financial year | ◆ Unqualified audit report. | Qualified audit opinion received 2010/2011 | Qualified opinion in terms of completeness of Immovable Asset Register |
| Effective utilization of the budget within the current financial year in line with the cost cutting measures. | ◆ % budget variation monthly on expenditure | ◆ within 2% budget variation | <p>As at 31 March 2012, the Department has spent R1, 182,255 billion which equates to 97.47% of its Budget with 100.00% of the time passed (2.53% variance).</p> <p>Expenditure excluding both conditional grants is R688, 092 million which equates to 97.58% of its Budget with 100% of the time passed (2.42% variance).</p> <p>The Department is reflecting under spending of R30,715 million, net effect broken down as follows:</p> <ul style="list-style-type: none"> ◆ Compensation of employees (R0,000 million) | <p><i>Compensation of employees</i> is within budget.</p> <p>The over-expenditure under <i>Goods & Services</i> of R7,458 million is attributable to increased costs related to computer services (SITA), fleet services for fuel costs, higher than expected fixed asset maintenance costs, property payments for security services and municipal services as well as consultants in respect of the S.I.U.</p> <p>The department wrote off debts relating to capital infrastructure to the amount of R 10, 380 million.</p> <p>The under-spending of R16,190 million can be ascribed to the Devolution of Property Rate Funds Grant for Provinces (Programme 2), and is due to the late receipt of invoices and insufficient information in respect of invoices received from some municipalities for property rates.</p> <p>The under-expenditure of R0.215m was largely due to</p> |

| | | | | |
|------------------------|--|------|---|---|
| | | | <ul style="list-style-type: none"> ◆ Goods & services (R7,458 million) ◆ Financial Assets (write offs) (R10,380 million) ◆ Provinces & Municipalities R16,190 million ◆ Departmental Agencies R0,215 million ◆ Transfers Households (R0,605 million) ◆ Gifts and donations ◆ Capital Infrastructure R32,857 million ◆ Machinery and equipment ◆ Software and other intangible assets | <p>fewer injury-on-duty claims received than expected, which is difficult to budget for accurately.</p> <p>The over-spending of R0.605 million is a result of unanticipated staff exit costs.</p> <p>Gifts and donations: the department donated cash amounting to R100 thousand to a school for the purchase of sporting equipment</p> <p>The under-expenditure of R32.857 million is mainly due to the contractor delays and slow progress of projects at the Ixopo Office Park, the Southern regional office, the Public Works head office, the Dundee and Greytown district office's, as well as the Midlands regional office.</p> <p>The department has requested to roll over R14,185 million in respect of committed projects from the 2011/12 to the 2012/13 financial year</p> |
| Minimise audit queries | ◆ No. of Compliance Audits carried out | ◆ 16 | <p>Achieved</p> <p>18 Compliance Inspections completed</p> <p>4 Compliance Inspections in Progress as at year end</p> | Nil |

| | | | | |
|--|---|--|--|-----|
| Close gap between second and first economy | ◆ No. of monthly reports on achievement of annual Preferential Procurement Objectives | ◆ 12 | Monthly Reports produced | |
| | Implementation of the BBBEE Strategy | Finalise & implement 20% of the sector specific scorecards of the BBBEE Strategy | BBBEE fully implemented as at 04 December 2011. Amendments to tender documentation completed. Training provided to all Supply Chain Management and Property Management staff at Head Office and the Regions. | |
| Budget to be aligned to district municipal areas | ◆ % Compliance with alignment of budget in line with Treasury Guidelines & deadlines | ◆ 100 % compliance with Treasury guidelines & deadlines | <p>100% compliance achieved as follows:</p> <p>◆ 10 August 2011, MTEF budget submission (deadline achieved)</p> <p>◆ 25 November 2011, Draft Estimates of Provincial Revenue and Expenditure</p> | Nil |

| | | | | |
|---|--|---------------------------------|--|-----|
| | | | (EPRE) deadline achieved) ♦ 01-19 December 2011, final draft Estimates of Provincial Revenue and Expenditure (excel tables and narrative) for comment by Provincial Treasury (deadline achieved) ♦ Final draft budget for 2012/13 submitted during January 2012. | |
| To recover outstanding claims from client departments | ♦ % recovery rate per quarter (claims from client departments) | ♦ 85% recovery rate per quarter | 85.56% collected, which is above the planned 75%. (Amount invoiced in 2011/2012 was R 1, 955 211 Billion and Amount Recovered R 1, 672 ,786 Bill) | Nil |
| | ♦ Backlog recovered within 90 days | ♦ Within 90Days | 97.13% recovered (invoiced R 103 922 million and recovered R 100 939 million) | |
| Implementation of performance budgeting | ♦ % Compliance with performance budgeting | ♦ 65% of Budget aligned to core | 77.90% of the budget allocated to core | |

| | | | | |
|------------------------------|---|---|---|--|
| Promotion of good governance | <ul style="list-style-type: none"> ◆ Fraud Prevention & Detection Strategy Implemented | <ul style="list-style-type: none"> • Fraud Prevention & Detection Strategy Implemented | <p>Fraud Prevention & detection plan in place</p> <p>Presidential Proclamation with SIU in place</p> <p>Regular follow-up with other Law enforcement agencies</p> <p>Risk Management Training conducted in all 4 Regions</p> <p>18 of 20 Presidents Hotline cases received finalised</p> <p>4 of 5 Ombudsman cases received finalised</p> <p>2 of 2 SMME Hotline cases received finalised</p> | |
| | No of Fraud Prevention Workshops held | 8 | 8 Fraud awareness workshops held April 2011 - Mar 2012 in Zulu and English | |
| | <ul style="list-style-type: none"> • Analysis of the received financial disclosure forms (| <ul style="list-style-type: none"> ◆ All financial disclosure forms analysed | <p><u>Financial year 10/11</u></p> <ul style="list-style-type: none"> - 756 Disclosure forms received and reviewed. - 1 Case in process of being further investigated | |

2.2.2 Programme 2: Real Estate

Purpose: The purpose of this programme is to provide and facilitate the provision of accommodation and integrated property management services to clients through planned property acquisition and disposal, optimal utilisation of state fixed assets, land valuation, maintenance of fixed property register, payment of property rates and integrated service delivery.

The strategic objectives, annual targets and actual performance for 2011 -12 for the Real Estate programme are detailed below:

| PROGRAMME 2: REAL ESTATE | | | | |
|--|--|--|--|--|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| To provide efficient and effective management of Provincial Fixed Asset Register | 100% compliance with AG minimum requirements | 100% disclosure of Provincially owned immovable assets | 2508 KZN owned properties to be disclosed for 2011/2012 Disclosure value is R13 billion | Funding for transfers of properties from municipalities delayed registration of properties into the KZN Prov.Govt. |
| | Updated FA Register in line with GIAMA | 100% of facilities in the FA Register | 8524 out of 11461 fully updated | Ownership status -transfers and vesting -Properly values delayed the completeness of the register. |
| | No. of properties valued | 20 | 1530 properties valued | Outsourced project to professional valuers |

| PROGRAMME 2: REAL ESTATE | | | | |
|--|---|---|---|--|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | 100% of land parcels in the Fixed Asset Register updated | <u>Partially Achieved</u> 5669 out of 15290 land parcels have complete data as at end of March 2012 (Accumulative total), in terms of the following GIAMA minimum requirements (Erf No., Title Deed Number, Portion No. SG Diagram No, Extent, Town Name, Ownership | Lack of information on Property values, Title deeds descriptions in respect of unsurveyed /unregistered land, etc | Appointed the Professional valuers Engaged Rural development & Land Reform and also COGTA to assist with land surveys in order to get required information. |
| To facilitate the payment of property rates. | % Expenditure of municipal property rates budget | 100% (R514m) | R489 million spent(95% expenditure) | Delayed submission of invoices Verification process of PSI assets |
| To ensure that Hired properties are audited for space Utilization. | Number of properties audited and recommendation/s done and implemented. | 100% (108) | 173 audited | |

| PROGRAMME 2: REAL ESTATE | | | | |
|--|---|---|---|---|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| To ensure that State owned Properties (Administrative) are audited for space Utilization | Number of properties audited and recommendation/s done and implemented. | 460 | 626 | |
| To effectively manage immovable assets in terms of GIAMA | Approved User Asset Management Plan (for Public Works) (U-AMP) | 1 U-AMP approved by June 2011 | 1 U-AMP approved | |
| | Assistance provided to all provincial Users in developing their U-AMPs | 15 Users assisted | 15 Users were assisted | |
| | Custodian Asset Management Plan developed (C-AMP). | 1 C-AMP developed by October 2011 | C-AMP developed using only eight (8) signed U-AMP's received from USERS | Users' delays & non - compliance in the submission of their U-AMPS caused delays in the production & finalization of the C-AMP. |
| To take transfer of all Provincial Immoveable assets. | No of R293 provincial assets registered | Engagement with relevant stakeholders on the 1060 properties to be transferred. | <ul style="list-style-type: none"> 335 properties lodged for registration at the Deeds Office Municipalities engaged and properties identified for transfer to KZN Provincial | Funding to pay for transfer costs as Municipality lack budget. |

| PROGRAMME 2: REAL ESTATE | | | | |
|---|---|--|---|--|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | Government | |
| | No of South African Development Trust Provincial assets registered | Engagement with relevant stakeholders on the 700 properties to be transferred. | Engagement with COGTA and Rural Development done | Transfers delayed by surveying / registration of land |
| | No of surveyed State Domestic Facilities on Ingonyama Trust land properties transferred. | Engagement with relevant stakeholders on the 500 properties to be transferred | Engagement with COGTA was done Properties identified for transfers | Location of PTO documents by COGTA and verification of SG Diagrams before registration |
| To finalize the vesting of state immovable assets | No. of former RSA properties and others Vested into the name of the KZN Provincial govt. (Backlog) | 183 | 102 properties vested | 81 Item 28(1) certificates are not endorsed due to non- availability of Original Title Deeds |
| | No. of former RSA properties and others Vested into the name of the KZN Provincial govt. (New) | 1020 (from vesting plan) | 695 properties | 695 item 28(1) certificates could not be endorsed due to non- availability of Original Title Deeds |

| PROGRAMME 2: REAL ESTATE | | | | |
|--|--|---|-----------------------|---|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | No of Umzimkhulu Provincial properties surveyed and Registered | Conversion of 167 RSA properties to provincial register | 15 properties vested. | Eastern Cape Prov. Govt is still to vest properties before transfer to KZN Prov. Govt. 329 - Awaiting Item 28(1) certificates |
| To satisfy land and building needs of Provincial Departments through property acquisition and disposal | No of properties acquired | 7 | Nil | Severe delays with the State Attorney Delay in client funding Delays in terms of the Planning and Development Act as all survey and subdivisions must comply with the PDA |
| | All acquisition defined as backlog completed | 26 | 1 | Severe delays with the State Attorney Delay in client funding Delays in terms of the Planning and Development Act as all survey and subdivisions must comply with the PDA |
| | No. of properties disposed of | 11 | 0 | Delays with state attorney Delays at SCM stages Delays with successful bidders in submitting |

| PROGRAMME 2: REAL ESTATE | | | | |
|--------------------------|--|-----------------------------------|--------|--|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | | guarantees |
| | All disposals defined as backlog completed | 88 | 52 | <p>Delays with state attorney</p> <p>Delays at SCM stages</p> <p>Delays with successful bidders in submitting guarantees</p> <p>Delays with Rural Development & Land Reform in submission of vesting documents.</p> <p>Delay in signing of Agreements with other spheres of government</p> |
| | No of properties hired | 24 | 23 | Delay in submission of funds by client. |
| | No. of properties hired (Renewals and backlog) | 69 | 34 | <p>Cases delayed by late/non-submission of client funding</p> <p>Client withdrawal of cases</p> <p>Delays with regional SCM committee</p> <p>Needs assessments and funding from client not as per specimen signature, hence delays in</p> |

| PROGRAMME 2: REAL ESTATE | | | | |
|--|--|-----------------------------------|---|--|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | | <p>verifying with clients</p> <p>Landlords delay in submission of tax clearance and company resolution etc which are compulsory documents required prior to legal services vetting leases,</p> |
| | No. of properties let | 16 | 5 (including 3 reallocation) | <p>Delay in receiving compulsory documents from tenants</p> <p>Delays in advertising and adjudication of hospital tuck shops</p> |
| | No. of properties let (new cases) | 11 | 1 | <p>Delay in receiving compulsory documents from tenants</p> <p>Delays in advertising and adjudication of hospital tuckshops</p> <p>some cases referred to risk management</p> |
| To develop building maintenance plans and programmes | Developed maintenance plans and programmes | 15 | <p>8 (eight) d plans finalized for the following User Departments:</p> <p>DOE, DOH, DOT, COGTA, DA&EA, OTP, DSD & DAC</p> | Lack of understanding by appointed professional consultants mainly his being a new function. |

| PROGRAMME 2: REAL ESTATE | | | | |
|--|--|---------------------------------------|--|--|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | | |
| To contribute towards jobs creation (Massification of EPWP) | No. of jobs created through Izandla Ziyagezana programme on old sites | 132 | 112 | Withdrawal of some of the beneficiaries from the programme due to deaths & better job opportunities. |
| | No. of jobs created through Izandla Ziyagezana programme on new sites. | 64 | 425 | High intake of beneficiaries due to the incorporation of EPWP Massification Programme. |
| | No. of jobs created from refurbishment or new construction of leased buildings by youth. | 500 | 36 | Numerous renewals and no need for refurbishment. delay in awarding of bids |
| Compliance of buildings with OHSA and for accessibility for people with disabilities | No of properties assessed and recommendations done and implemented on government buildings | 460 | 626 properties were assessed in different phases. | |
| To promote economic transformation and | Property Incubator Programme | 63 Learners incubated through various | 43 trainees have been trained for Phase Two (NQF Level 4) theoretically. | Other trainees got permanent job offers and |

| PROGRAMME 2: REAL ESTATE | | | | |
|--|-----------------------------------|-----------------------------------|---|--|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| investment within Property sector through hirings, lettings and disposals | implemented | institutions | Now receiving practical training in the Department until December 2012 | resigned from the programme |
| To provide effective client liaison and management services | No. of meetings held with clients | 102 | 89 | Non attendance of representatives hence no quorum could be formed |
| | No. of fora and meetings held | Nil | 1 Women in property summit held | |

2.2.3 Programme 3: Provision of buildings, structures & equipment (Operations)

Purpose: The main purpose of this programme is the erection and/or acquisition of buildings, structures and engineering works and the maintenance of buildings to client specifications. The core services are:

- Improving integrated service delivery in the provision of buildings and structures;
- Creating jobs through the EPWP;
- Creating an enabling environment for affirmable business enterprises;
- Initiating and co-ordinating strategic partnerships; and
- Co-ordinating and aligning operational activities in line with municipal demarcations.

The strategic objectives, annual targets and actual performance for 2011 -12 for the Provision of buildings, structures & equipment (Operations) programme are detailed below:

| PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS) | | | | |
|---|--|---|---|---|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| Implementation of the Annual Infrastructure Delivery Improvement Programme (IDIP) | IPIP finalized in line with approved IPMP by June for IDIP Departments only & IDIP extended to other Clients | <p>June 2012</p> <p>Introduction of IDIP Programme to COGTA and DSD</p> | <p>DoE 2011/2012:</p> <ul style="list-style-type: none"> IPIP Finalized and Approved by 01-June-2011. <p>DoH 2011/2012:</p> <ul style="list-style-type: none"> IPIP Finalized and Approved by 08-July-2011. <p>DoPW 2011/2012 :</p> <ul style="list-style-type: none"> IPIP Finalized and Approved by 22-September-2011. <p><u>Introduction of IDIP Programme</u></p> <p>Social Devt (DsD) 2011/2012 :</p> <ul style="list-style-type: none"> Plan Approved 29-April-2011. Plan is valid for a five-year period (2011/12 to 2015/16). | <p><u>Challenges:</u></p> <p>Minimal time given for the preparation of IPIPs.</p> <p><u>Way-forward / Interventions</u></p> <p>IDIP Guidelines and Timelines to be complied with by both Client Departments and DoPW.</p> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|---|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | Agriculture 2011/2012: <ul style="list-style-type: none"> Plan Approved 13-June-2011. | |
| | | | <ul style="list-style-type: none"> Other Departments have not submitted to date. | Reminder letters for 2011/12 & 2012/13 sent October 2011. |
| | | | The following Client Departments have submitted the Infrastructure Plans (IPMP) 2012/2013: | Follow-up (other reminder letters) for Infrastructure Plans (IPMP 2012/2013) were sent for the HoD: |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|---|---|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | <ul style="list-style-type: none"> • Agriculture, Environmental Affairs & Rural Development : Plan received 15-Dec-2011 • Social Development (DSD): Plan received 29-April-2011 and valid for five-year period (2011/2012 to 2015/2016) • Transport: Plan received on 08-December-2011 • COGTA: Plan received on 03-January-2012 <p>The following Client Departments have not submitted their Plans (IPMP) for 2012/2013:</p> | <p><i>DoPW's signature on 30-January-2012 and to clients by February-2012.</i></p> |

| PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS) | | | | |
|--|---|---|--|--|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | <ul style="list-style-type: none"> • Human Settlements • Arts, Culture & Tourism • Sports & Recreation • Provincial Parliament • Economic Development | |
| | All Projects defined as Backlog completed (2010/2011) | 23 Classrooms and 38 Toilets to be completed during 2011/2012 | Initial APP Annual Infrastructure Targets were revised in line with the DoE IPIP approval as the number of projects was reduced in line with the allocated Budget. | <i>Approval to revise the APP Targets was received from the MEC on 13-Sept-2011 and the new revised Annual Target for 2011/12 is 30 Classrooms & 38 Toilets to be completed as below.</i> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE | | | | | | | | | | | | |
|---------------------|---------------------------------|--|---|----------------------|--|-----------|--|------------|---------|------------|---------|----|----|----|----|---|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | | | | | | | | | | | | | |
| | | 30 Classrooms and 38 Toilets completed during 2011/2012 (68 Backlog Projects) | 14 Classrooms & 28 Toilets (42 Backlog Projects) completed as at end March-2012. <u>Breakdown is as follows :</u> <table><tr><th colspan="2">Planned</th><th colspan="2">Completed</th></tr><tr><th>Classrooms</th><th>Toilets</th><th>Classrooms</th><th>Toilets</th></tr><tr><td>30</td><td>38</td><td>14</td><td>28</td></tr></table> The remaining balance of 16 Classrooms and 10 Toilets are to be completed in the 2012/2013 Financial Year. <u>The completed projects are :</u> 1. Goben Combined Primary School (033362) (14 Classrooms & 12 | Planned | | Completed | | Classrooms | Toilets | Classrooms | Toilets | 30 | 38 | 14 | 28 | Approval to revise the APP Targets was received from the MEC on 13-Sept-2011 and the new revised Annual Target for 2011/12 is 30 Classrooms and 38 Toilets. |
| Planned | | Completed | | | | | | | | | | | | | | |
| Classrooms | Toilets | Classrooms | Toilets | | | | | | | | | | | | | |
| 30 | 38 | 14 | 28 | | | | | | | | | | | | | |

| PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS) | | | | |
|--|---------------------------------|-----------------------------------|---|---|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | <p>Toilets) North-Coast Region</p> <p>2. Mahlube Secondary School (033473) (16 Toilets) : eThekwini Region</p> | |
| | | | <p><i>Status on the outstanding backlog projects is as follows :</i></p> <p>1. <u>Manzini Secondary School</u> (WIMS No.: 033514) (10 Toilets: eThekwini Region)</p> <p>35% physical progress to date and the site was handed over on 15-Feb-2012. First Delivery is due by 20-August-2012.</p> | <p><u>Challenges:</u> Manzini S. School Scope change resulted in some of the delays. Tender closed on 05-Sept-2011 and has been adjudicated.</p> <p><u>Way-forward / Interventions</u> The Region to request selected bidding process to fast track cancelled projects. To be completed in 2012/2013.</p> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|---|---|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | | |
| | | | <p>2. Mambulu Primary School (WIMS No.: 020229) (02 Classrooms: eThekwini)</p> <p>95% complete. Cancellation was approved on 01-Feb-2011 due to poor performance by the Contractor. Tender included R482,000 extra work that was not requested by DoE. Consultant documents for PAC Approval by 30-March-2012 and to BSC by 03-April 2012. Completion anticipated in the 2012/2013 Financial Year.</p> | <p><u>Challenges:</u> <i>The Contractor failed to complete the outstanding electrical work after many attempts to engage him. Only 05% of work is outstanding. Storm damage also affected part of the roof.</i></p> <p><u>Way-forward / Interventions</u> <i>Region to request selected bidding process to fast track cancelled projects. Project to be completed in 2012/2013.</i></p> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|---|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | <p>3. Imizikayifani Primary School (04 Classrooms: North-Coast)</p> <p>75% complete. Completion contract not yet in place at this stage. Outstanding work to take ± 03 months. Initial contractor (Sweet Dreams Trading CC) had cash-flow problems. Advertised. At BAC on 19-April-2012 and is anticipated for completion by end of October-2012.</p> | <p><u>Challenges:</u> Project terminated & revised document received 10-Feb-12, and currently with Professional Services.</p> <p><u>Way-forward / Interventions</u> 25% outstanding work to be finished by financial year-end if project is fast-tracked. The Region to request selected bidding process to fast track and completion in 2012/2013.</p> |
| | | | <p>4. Hlangabeza High School (WIMS No.: 044388) (10 Classrooms: eThekwini)</p> | <p><u>Challenges:</u> Cancellation due to contractor's poor performance. Completion contract will be subjected to escalation and variation orders and</p> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE | | | |
|---------------------|---------------------------------|---|---|--|-----------|---------|---|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | | | | |
| | | | 87% physical progress to date and the contractor on-site. The First Delivery was taken on the 19-January-2012. Completion is anticipated by 2012/13 Fin-year. | final cost to be recovered to be determined at Final Account stage. <u>Way-forward/ Interventions</u> Project was on penalties and completion anticipated by 2012/2013 financial year. | | | |
| | | 35 Classrooms and 86 Toilets completed during 2011/2012 (121 NEW Projects) | 20 Classrooms and 43 Toilets (63 NEW Projects) completed as at end March-2012. All projects are at eThekweni Region. <u>Breakdown is as follows :</u> <table><tr><td>Planned</td><td>Completed</td><td>Outstan</td></tr></table> | Planned | Completed | Outstan | <i>Approval received from MEC 13-Sept-2011 i.t.o revision of initial APP Annual Targets (DoE Infrastructure) in line with approved DoE IPIP as No. of projects were reduced in line with the Budget.</i> <i>Duplication realized under</i> |
| Planned | Completed | Outstan | | | | | |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | | | | REASONS FOR VARIANCE | | | | | | | | | | | | | | | |
|---------------------|---------------------------------|-----------------------------------|--|------------|--------|------------|----------------------|------------|--------|----|----|----|----|----|----|--|----|--|--|--|----|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | | | | | | | | | | | | | | | | | | | |
| | | | <table><tr><td>Class room</td><td>Toilet</td><td>Class room</td><td>Toilet</td><td>Class room</td><td>Toilet</td></tr><tr><td>35</td><td>86</td><td>20</td><td>43</td><td>15</td><td>43</td></tr><tr><td></td><td>70</td><td></td><td></td><td></td><td>27</td></tr></table> | Class room | Toilet | Class room | Toilet | Class room | Toilet | 35 | 86 | 20 | 43 | 15 | 43 | | 70 | | | | 27 | <p>Mahlube School (16 Toilets); therefore the figure has been subtracted from 86 Toilets. Currently, 70 Toilets for completion in 2011/2012.</p> <p>Duplication was realized under Mahlube School (16 Toilets), therefore figure subtracted from 86 Toilets. 70 Toilets were due for completion in 2011/2012. The remaining of 15 Classrooms and 27 Toilets (42 Projects) are to be completed in the 2012/2013 Financial Year.</p> <p><u>The completed projects are :</u></p> <p>1. Amandlethu Secondary School : 04 Classrooms</p> <p>2. Ukukhanya-Kwelanga Primary :</p> |
| Class room | Toilet | Class room | Toilet | Class room | Toilet | | | | | | | | | | | | | | | | | |
| 35 | 86 | 20 | 43 | 15 | 43 | | | | | | | | | | | | | | | | | |
| | 70 | | | | 27 | | | | | | | | | | | | | | | | | |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------------|-----------------------------------|--|----------------------|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | 05 C/rooms; 06 Toilets 3. Phezulu High School : 06 C/rooms; 06 Toilets 4. Gugulethu Junior Primary School : 05 C/rooms; 06 Toilets 5. Makhawula Junior Primary Sch : 06 Toilets 6. Mangqakaza Primary School : 05 Toilets 7. Khulani Junior Primary School : 03 Toilets 8. Simunye Secondary School : 06 Toilets 9. Tshelabantu Primary School : 05 Toilets | |
| | | | <i>Status on the NEW projects not completed is as follows :</i> 1. <u>Masijabule High School</u> | |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|--|---|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | <p>(15 Classrooms & 12 Toilets) (Southern Region)</p> <p>33% physical progress to date and change in scope for piling due to boulders found on site. All piling (67) has been completed. Extension of Time (EoT) will be approximately 03 months. Contractor is currently on-site and completion is anticipated by October-2012.</p> | <p><i>Completion by October-2012. Contractor on site. Close monitoring and site visits done regularly.</i></p> |
| | | | <p><u>2. Delamuzi Junior Secondary School</u></p> <p>(15 Toilets: Southern Region)</p> <p>26% physical progress to date and the site was handed over on 30-November-11. There were no responsive tenderers and it was re-</p> | <p>Completion by 1st quarter of 2012/2013. Contractor advised to work weekends.</p> |

| PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS) | | | | |
|--|---|--|--|---|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | advertised. Contractor was appointed and withdrew. Completion is anticipated by the 1 st Quarter of 2012/2013. | |
| | Number of Projects completed per IPIP Programme | <u>DoE</u> No. of Projects completed by March 2012 (06 NEW Schools - Multi-Year Projects) | Initial APP Annual Infrastructure Targets were revised in line with the DoE IPIP approval as the number of projects was reduced in line with the allocated Budget. | <i>Approval to revise APP Targets was received from MEC on 13-Sept-2011. New revised Annual Target for 2011/12 is 03 NEW Schools to be completed as below.</i> |
| | | <u>DoE</u> No. of Projects completed by March 2012 (03 NEW Schools in 2011/12) | 1. <u>Molweni School</u> 100% complete. | — |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|---|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | <p>2. <u>Nkombose School</u></p> <p>(22C+19T)</p> <p>80% progress to date and delays due to inclement weather (rain) and late delivery of materials. EoT granted. Contract period lapsed & contractor still progressing slowly but project is monitored very closely. Cancellation delays due to legal matter. Revised completion date is February 2013.</p> | Regular site-visits are made to resolve the contractual challenges. The revised completion date is anticipated by February-2013. |
| | | | <p>3. <u>Bilanyoni School</u></p> <p>(29C+38T)</p> <p>12% (completion contract) to date. Was cancelled at 41% due to non-performance. Anticipated completion by 08-July-2013.</p> | The region to use selective bidding. Anticipated completion is 08-July-2013. Regular site meetings. |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------------|-----------------------------------|--|----------------------|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | <p>No.: 039133; Storm Damage)</p> <p>2. Ziphembeleni Secondary School : eThekwini Region (WIMS No.: 039094; General Repairs & Renovations/ Extent of work to be determined on site)</p> <p>3. Mabandla Secondary School : Southern Region (WIMS No.:039014; Repairs to 4 Classroom Block & Toilets)</p> <p>4. Hlokozi High School : Southern Region (WIMS No.:037759; Alterations and Additions)</p> <p>5. Greytown Junior Secondary School : Midlands Region (WIMS No.:033472; Repairs and Renovations)</p> | |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|--|---|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | <p>Progress on 11 Outstanding projects is as follows:</p> <p>1. <u>Wewe Primary School</u> (WIMS No.: 037194) (eThekwini Region)</p> <p>40% physical progress to date. Poor performance by contractor. Submission for cancellation was approved but under investigation by Risk Management. Awaiting Consultant to submit correct documents by April-2012. Completion by 1st quarter of 2012/13 financial year.</p> | <p><i>Approval received from MEC 13-Sept-11 i.t.o revision of initial APP Annual Targets (for All DoE Infrastructure Targets) in line with approved DoE IPIP as the number of projects was reduced in line with Budget.</i></p> <p>Wewe Primary : completion anticipated by 1st Qtr of 2012/13.</p> |
| | | | <p>2. <u>Kuswag Primary School</u> (035789) eThekwini Region)</p> <p>95% physical progress on site and completion is anticipated by end of 19-</p> | <p><i>Approval has been received from the MEC on 13-September-2011 i.t.o revision of the initial APP Annual Targets (for All DoE</i></p> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|--|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | <p>June-2012.</p> <p>3. <u>Zandile Jnr Primary School</u> (036976) (eThekweni Region)</p> <p>95% physical progress and contractor on-site. Contractor on penalties and snagging on additional work. Completion anticipated by end April-2012.</p> <p>4. <u>Sikhukhukhu Primary School</u> (030719) (Southern Region)</p> <p>41% Physical progress against 70% time lapse. SHO: 13-June-2011. Cancel submission by 15-March-12. Completion in 2012/13 financial year.</p> | <p><i>Infrastructure Targets) in line with the approved DoE IPIP as the number of projects was reduced in line with the Budget.</i></p> <p><i>Remaining/outstanding projects are due for completion in the 2012/2013 financial year.</i></p> |
| | | | <p>5. <u>Deccan Road Primary School</u> (037035) (Southern Region)</p> <p>95% physical progress to date vs.</p> | <p><i>Completion in 2012/13 financial year.</i></p> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|---|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | 95% time lapsed. | |
| | | | <p>6. <u>Mnywaneni Primary School</u> (038820) (Southern Region)</p> <p>The Project is no longer required by the Client.</p> | Project is no longer required by Client |
| | | | <p>7. <u>Nonkwenkwa Secondary School</u> (043342)(Southern Region)</p> <p>43% physical progress to date and the site was handed over 03-August-2011. Completion in 2012/13 financial year.</p> | Completion in 2012/2013 financial year. |
| | | | <p>8. <u>Esther-Payne School</u> (039332) (Southern Region)</p> <p>25% physical progress vs. 30% time lapsed. Site handed over on 28-</p> | Completion in 2012/2013 financial |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|---|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | September-2011. Completion is anticipated in 2012/13 financial year. | year. |
| | | | 9. <u>Lourdes Junior Secondary School</u> (Southern Region) 0%, was awarded and validity period expired due to BEE Policy. To BAC by 19-April-2012 and the completion anticipated 2012/2013 financial year. | Completion in 2012/2013 financial year. |
| | | | 10. <u>Ingomezulu Comprehensive Primary School</u> (WIMS No.039076) (eThekweni Region) Letter of award signed. Awaiting guarantees and Safety Plans due 24-April-2012. Anticipated site hand over | 1 st Delivery anticipated by 28-Nov-2012. Completion in 2012/13 financial year. |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|---|--|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | is 30-April-2012. | |
| | | | <p>11. <u>Noqomfela Comprehensive Primary School</u> (WIMS No. 039081)</p> <p>(eThekwinini Region)</p> <p>Letter of award signed. Awaiting guarantees and Safety Plans due by 24-April-2012. Anticipated site hand over date is 30-April-12.</p> | Completion in 2012/2013 financial year. |
| | | No. of existing Backlog on Planned Maintenance (38 Backlog Projects) | <p>23 Backlog Planned Maintenance Projects completed to date (end March-2012).</p> <p>This include the following:</p> <p>1. Ubuhlebesizwe Jnr Sec</p> | <i>Approval has been received from MEC on 13-September-2011 i.t.o revision of initial APP Annual Targets (for All DoE Infrastructure Targets) in line with the approved DoE IPIP as</i> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|--|---|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | <p>School:eThekwini (WIMS No.:036789; Repairs and Painting)</p> <p>2. Tongaat Junior Primary School:eThekwini (WIMS No.:036803;replace roof, general Repairs & Renov)</p> <p>3. Ntshongweni Primary School: eThekwini (WIMS No.036804; repl 6 Girls Toilets, Renovate Boys Toilet blk & Install proper drainage/paving between blocks 2 & 3)</p> <p>4. Hullett Primary School : eThekwini (WIMS No.:036798; major Repairs)</p> <p>5. Kwasanti Primary School : eThekwini</p> | <p><i>the number of projects was reduced in line with the Budget.</i></p> <p>New revised Annual Target for 2011/12 is 38 Backlog Planned Maintenance projects to be completed.</p> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------------|-----------------------------------|--|----------------------|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | (WIMS No.:036805; general Repairs and Renovations) 6. Mhlathuzana Primary School:North-Coast (WIMS No.:035071; Upgrade and Repairs to 10 Classrooms) 7. Phumzuzulu High School : North-Coast (WIMS No.:036569; Upgrade and Repairs to admin block, hall, laboratory, library, rainwater tanks, internal electrical installation) | |
| | | | 8. Ivuna High School : North-Coast (WIMS No.:036607; Upgrade and Repairs to all buildings and ablutions) 9. Lungelani Primary School : North-Coast | |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|---|----------------------|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | <p>(WIMS No.:036618; Demolish and Rebuild 08 Classrooms, new admin and ablution)</p> <p>10. Ngebeza High School : North-Coast (WIMS No.:044384; Upgrade and Repairs to Classrooms)</p> <p>11. Msebe Primary School (PSI): North-Coast (WIMS No.:044500; completion contract, Repairs to 10 Classrooms)</p> <p>12. Empangeni Primary School : North-Coast (WIMS No.:044501; Repairs to walls, Floors & Windows to 09 Classrooms)</p> <p>13. Gobhela Primary School :Southern</p> | |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|---|---|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | (WIMS No.:027210; R R2007/08-24 Repairs & Renovations) 14. Mbusi High School : Southern (WIMS No.:001990; R R2007/08-15 Repairs & Renovations) 15. Egoli Primary School : Southern (WIMS No.:027205; R R2007/08 - 19 repairs & renovations) | |
| | | | 16. Nositha Primary School : Southern (WIMS No.:038848; Electrical Repairs to Classroom block damaged by the fire) 17. Empola Primary School : Southern (WIMS No.:036975;change classrom to offices &strongroom) | Anticipated completion by 24-July-2012 |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------------|-----------------------------------|--|----------------------|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | <p>18. Umzinto Secondary School : Southern (WIMS No.:039666;Repair Storm Damage to 03Classrooms)</p> <p>19. Siyephu Secondary School : Southern (WIMS No.:037597; Repairs electrical portion to storm damaged Classrooms)</p> <p>20. Inzingolweni Primary School: Southern (WIMS No.:034139; completion contract of 020354 : Repairs and Renovations and minor new works)</p> <p>21. Kwazamkühle R & R : Midlands (WIMS No.:031742; Provision of new hostel block)</p> | |

| PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS) | | | | |
|--|---------------------------------|-----------------------------------|--|----------------------|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | <p>22. Kwazamkuhle Hostel : Midlands (WIMS No.:010649; new senior primary hostel)</p> <p>23. Dukuza Primary School : Midlands (WIMS No.:046490; completion of outstanding repairs & renovations of cancelled contract)</p> <p>The 15 Projects that are still not completed are as follows :</p> <p>1. <u>Imizikayifani School</u> (North-Coast Region)</p> <p><i>30% completion contract on site. Project had 02 contracts, 01 for termination due to un-approval of subcontractor. Initial contract was cancelled due to non-performing</i></p> | |

| PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS) | | | | |
|--|---------------------------------|-----------------------------------|---|--|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | <i>contractor. Advertised Oct-11. Completion contract: Appeals period ended 09-December-2011 and anticipate completion 24-July-2012.</i> | |
| | | | <p>2. <u>Nondumiso School</u> (North-Coast Region)</p> <p>Completion contract with BAC for document approval and the advertisement. Work stopped on site at 40% due to the non-payment of the main contractor to the sub-contractor. The approval for the submission of regularizing payments was not received. Anticipated to be completed 4th quarter 2012/13.</p> | <i>Completion Contract. Anticipated to be completed in 4th quarter 2012/13.</i> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|--|---|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | 3. <u>Sthandiwe School</u> (Southern Region) 98% (completion contract) still to advertise the contract; anticipated completion by September-2012. | <i>Completion anticipated by Sept-2012.</i> |
| | | | 4. <u>Umzimkhulu FET College</u> (Southern Region) 85% physical progress to date and the VO has been approved. Contractor on site as from the 12-Sept-2011 and completion is anticipated by 2012/2013. | <i>Completion by 2012/13 and the project is closely monitored.</i> |
| | | | 5. <u>Bhekukwazi School</u> (North-Coast Region) 50% physical progress to date. Advertised. Delays due to the challenges with award and validity | <i>Completion anticipated by 2012/2013 financial year</i> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|---|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | period expired. Anticipated to be re-advertised by June-2012 and completion by 2012/13. | |
| | | | <p>6. <u>Gwegwede Primary School</u></p> <p>(North-Coast Region)</p> <p>15%; completion contract on site. SHO by 03-Nov-2011. Delays due to cancellations related to poor performance by contractor. Completion by 02-August-2012</p> | <i>Completion anticipated by 02-Aug-2012.</i> |
| | | | <p>7. <u>Mvutshini High School</u></p> <p>(North-Coast Region)</p> <p>0% completion contract on site. Site handed over 12-April-2012. Project was cancelled due to non-performance by contractor and completion by 11-</p> | Completion anticipated by 11-Oct-2012. |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------------|-----------------------------------|--|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | October-2012. | |
| | | | 8. <u>Nomativela High School</u> (North-Coast Region) Project was cancelled at 50% and the completion contract award delayed due to the court interdict. Still awaiting outcome; completion anticipated in 2012/2013 fin-year. | Completion anticipated in the 2012/13 financial year |
| | | | 9. <u>Nomuwa Primary School</u> (North-Coast Region) Project was cancelled at 30% due to non-performance by contractor. Completion contract at 55% and anticipated for completion is by 21- | Completion anticipated by 21-June-12. |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|--|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | June-2012. | |
| | | | <p>10. <u>Emafa Primary School</u> (North-Coast Region)</p> <p>Project was cancelled at 85% due to non-performance by contractor. Completion contract pending the Site Handover (SHO). Anticipated completion by January-2013.</p> | Completion anticipated by Jan-2013. |
| | | | <p>11. <u>Prince Myanyiza High Sch</u> (North-Coast Region)</p> <p>50% physical progress to date. Delays due to award and the completion is anticipated by the 01st-November-</p> | Completion anticipated by 01-Nov-2012. |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------------|-----------------------------------|--|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | 2012. | |
| | | | 12. Bhobhobho Primary School (North-Coast Region) Project was cancelled at 50% due to non-performance by contractor. Completion contract at 28% and the site handed was over on 08-November-2011. Completion by April 2012, pending EoT. | Completion anticipated by April-2012 pending EoT. |
| | | | 13. <u>Mangindi Primary School</u> (North-Coast Region) Project was cancelled at 50% due to non-performance by contractor. Site | Completion anticipated in the 2012/2013 financial year |

| PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS) | | | | |
|--|---------------------------------|-----------------------------------|--|--|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | handed over 13-Jan-2012. Completion contract at 08% and completion by 13-August-2012. | |
| | | | <p>14. <u>Cophela Junior P. School</u> (Southern Region)</p> <p>The Contractor abandoned site; project was cancelled and the completion contract document sent to Professional Services on 10-October-2011 for checking. With BSC 17-October-2011. New tender documentation as per PPPFA was also sent to the Professional Services. Anticipate to advertise April 2012.</p> | Completion anticipated by 2012/2013 financial year |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------------|-----------------------------------|--|---|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | | |
| | | | <p>15. <u>Roseville Secondary School</u></p> <p>(Southern Region)</p> <p>New tender documentation as per PPPFA has been received from the Consultant. Project at BSC 17-October-2011. Anticipate to advertise project end April 2012 and completion by 2012/2013</p> | <p>Completion anticipated by 2012/2013 financial year</p> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE | | | | | | | | | | | | | | | | | | | | | | | | |
|---------------------|---------------------------------|---|---|----------------------|--|-----------|--|---------|--|------|-----|------|-----|------|--|----|----|----|----|----|--|----|--|--|--|--|--|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | <p><u>DoH</u></p> <p>No. of Clinics and Hospitals Projects completed by March 2012 (56 NEW Projects)</p> | <p>09 Clinics and 11 Hospitals (20 Projects) have been completed as at end of March-2012.</p> <p><u>Breakdown is as follows :</u></p> <table><tr><th colspan="2">Planned</th><th colspan="2">Completed</th><th colspan="2">Outstan</th></tr><tr><th>Clin</th><th>Hos</th><th>Clin</th><th>Hos</th><th>Clin</th><th></th></tr><tr><td>26</td><td>30</td><td>09</td><td>11</td><td>17</td><td></td></tr><tr><td>25</td><td></td><td></td><td></td><td></td><td></td></tr></table> | Planned | | Completed | | Outstan | | Clin | Hos | Clin | Hos | Clin | | 26 | 30 | 09 | 11 | 17 | | 25 | | | | | | <p>01 Project (Gwala Clinic: 045903 in the Southern Region) was duplicated however it is currently 100% completed under backlog projects.</p> <p>The remaining balance of 17 Clinics and 18 Hospitals (35 Projects) are to be completed in 2012/2013 Financial Year.</p> |
| Planned | | Completed | | Outstan | | | | | | | | | | | | | | | | | | | | | | | | |
| Clin | Hos | Clin | Hos | Clin | | | | | | | | | | | | | | | | | | | | | | | | |
| 26 | 30 | 09 | 11 | 17 | | | | | | | | | | | | | | | | | | | | | | | | |
| 25 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | <p>01 Project (Gwala Clinic: 045903, Southern Region) was duplicated, however 100% completed under backlog. The remaining balance of 17 Clinics and 18 Hospitals (35 Projects) are to be completed in 2012/2013 Financial Year.</p> | | | | | | | | | | | | | | | | | | | | | | | | | |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------------|-----------------------------------|--|----------------------|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | <p>The completed Projects are as follows:</p> <ol style="list-style-type: none"> 1. Hlengisizwe C.Health Centre(CHC):eThekwini Region 2. Addington Hospital (042547) : eThekwini Region 3. Addington Hospital (021765) : eThekwini Region 4. Hillcrest Hospital : eThekwini Region 5. Groutville Clinic : eThekwini Region | |
| | | | <ol style="list-style-type: none"> 6. G.J Crookes Hospital : Southern Region 7. Bruntville Community Health Centre (CHC): Southern | |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------------|-----------------------------------|---|----------------------|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | <p style="text-align: center;">Region</p> <p>8. Sihleza Clinic : Southern Region</p> <p>9. Polela Clinic : Southern Region</p> <p>10. Loudres Clinic : Southern Region</p> <p>11. Fort Napier Hospital (044048) : Southern Region</p> <p>12. Niemeyer Memorial Hospital : Midlands Region</p> <p>13. Ekuvukeni Hospital : Midlands Region</p> <p>14. Madadeni Clinic No.1 : Midlands region</p> <p>15. Kwamteyi Clinic : Midlands region</p> <p>16. Sibuyane Clinic : Midlands region</p> | |

| PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS) | | | | |
|--|---------------------------------------|-----------------------------------|--|---|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | 17. Greytown Hosp (Fence) : Midlands region 18. Fuduka Clinic : North-Coast Region 19. Manguzi Hospital : North-Coast Region 20. Bethesda Hospital : North-Coast Region | |
| | | | Status on the Outstanding 36 projects is as follows: 1. <u>St Apollinaris Hospital</u> (045900) (eThekweni Region) Project withdrawn from DoPW by DoH in May 2011. | <i>Project withdrawn by DoH.</i> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|--|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | <p>2. <u>Thafamasi Clinic</u></p> <p>WIMS No.:045102 (eThekweni Region)</p> <p><i>84% physical progress to date and anticipated for completion by 2012/13 financial year.</i></p> | <p><i>Completion is anticipated in the 2012/13 financial year.</i></p> |
| | | | <p>3. <u>Inanda Community Health Centre (CHC)</u></p> <p>(017509) (eThekweni Region)</p> <p>10% physical progress to date and site establishment is ongoing. Challenge of local Labour Organization by Local Councillors and dispute resolution through EPWP Office resolved.</p> <p>Additional funding required for covered waiting areas & securing Park Homes.</p> | <p><i>Completion anticipated by Feb-2013</i></p> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------------|-----------------------------------|---|---|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | Contractor's VO applications from QS: 10-Apr-12. Completion by February- 2013. | |
| | | | <p>4. <u>Fort Napier Hospital</u></p> <p>(044047:Renovate Kitchen)</p> <p>(Southern Region)</p> <p>90% physical progress to date against 140 time lapse. Site was handed over on 19-July-2011. Expansion of Contract (EoC) approved at BAC 02- Feb-2012. Contractor to claim ext of time. Due to delays in the approval of funding and expansion of contract and VO. VO re-submitted to BAC and provisionally approved, extra motivation needed. VO was approved</p> | <p><i>Completion anticipated by 20- April-2012</i></p> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|---|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | by BEC on the 27 March 2012. Contractor is due for completion by the 20-April-2012. | |
| | | | 5. <u>St Apollinaris Hospital</u> (eThekweni Region) Project withdrawn from DoPW by DoH in May 2011. | <i>Project withdrawn by DoH</i> |
| | | | 6. <u>Umgeni Hospital:</u> Subdivide& register Disused Reservoir site (nil WIMS No.: Southern Region) DoH no longer require the project | DoH no longer requires this project. |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|---|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | <p>7. <u>Nxamalala Clinic</u></p> <p>(042680) (Southern Region)</p> <p>60% physical progress on site. Region received a court interdict preventing any payments being made to the contractor as there are allegations of ceding the contract hence 14 day warning letter issued on 25-January-2012. Project is being cancelled. Completion anticipated during 2012/2013 fin-year.</p> | <p><i>Completion anticipated during 2012/13 financial year.</i></p> |
| | | | <p>8. <u>Underberg Clinic</u></p> <p>(046998) (Southern Region)</p> <p>90% progress against 125% time lapse. Due to weather delays, builders</p> | <p>Region monitoring project closely and completion in the 2012/2013.</p> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|---|---------------------------------|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | holiday and contractor inexperienced for this kind of work that's caused a delays of 2 weeks. Contractor busy with defect list but clinic is using road. | |
| | | | 9. <u>Gcilima Clinic</u> (040702) Southern Region) 01%, due to cancellation delays of project. SHO: 26-Jan-2012 and completion by April 2012. | Completion by April 2012 |
| | | | 10. <u>Kilman Clinic</u> (044561) (Southern Region) 91% progress against 140% time lapse. Beneficial occupation was taken | Completion anticipated during |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|---|-------------------------------------|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | for building 22-Feb-2012. 14-day notice issued 29-Feb-12 due to outstanding external snag, Completion in 2012/13 financial year. | 2012/13 financial year. |
| | | | 11. <u>Niemeyer Memorial Hospital</u> (Sewerage system upgrade) (044032) (Midlands Region) 82% physical progress to date and on site. It is anticipated to complete by 2012/2013. | Completion by 2012/2013 |
| | | | 12. <u>Manguzi Hospital</u> 043703: Peads (North-Coast) 25% physical progress to date and contractor in progress with installation | Completion by end June 2012. |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|---|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | of aircon ducting, 03 weeks behind schedule due to delays on remedial work required which was not catered for in 2 nd contract. Delays: additional work required on roof structure prior to installation of aircon, commenced skimming of walls & installation of ceilings. 30 days EoT applied for rejected by Dept. Contractor to supply additional information. Completion by end of June-2012. | |
| | | | 13. <u>Phelandaba Clinic</u> (044411: North-Coast Region) 25% physical progress to date (Completion contract). Site was handed over 03-February-2012. Completion by August-2012. | <i>Completion by August-2012.</i> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|---|------------------------------------|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | 14. <u>Thokozani Clinic</u> (046591: Backlog report) (North-Coast Region) 55% (Backlog project) physical progress to date. Delays on delivery of park homes due to rain. SHO: 06-October-2011. Contractor commenced with work in maternity section 1 and completion of parking area, to commence with section 2 and decant to section 1 end April-12. Completion by 06-July-2012. | Completion by 06-July-2012. |
| | | | 15. <u>Bethesda Hospital</u> (044287) (Water Reticulation) North-Coast Region) 0%, served at BEC 23-Jan-2012 and | Completion by 30-June-2012. |

| PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS) | | | | |
|--|---------------------------------|-----------------------------------|--|---|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | not recommended as tender amount was more than approved IPIP, Letter sent to DoH for additional funding 06-Feb-2012 and currently awaiting response. Completion by 30-June-2012. | |
| | | | 16. <u>Isiboniso Clinic</u> (037508) (North-Coast Region) 0%, the Award was approved on 23-Feb-12 & no appeals received. LoA was issued on 09-March-12. SHO: by end April 2012, pending SHE plan approval & guarantees by SCM. Completion: 30-July-12. | <i>Completion by 30-July-2012.</i> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|---|-----------------------------------|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | 17. <u>Jozini Malaria Health Complex (017158)(North-Coast)</u> 0%, the Award was approved by BAC and advertised for appeals on 15-March-2012. On 20-March, the region received notification from Appeals Board that the contractor has lodged an appeal as of 05-April-2012. Hearing date has not yet been confirmed by the SCM Head Office. Completion anticipated by July 2012. | Completion by July-2012. |
| | | | 18. <u>Vryheid Hospital</u> ((043923) Seclusion: N/Coast region) 50% physical progress to date and the | Completion by 23-May-2012. |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|---|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | contractor is progressing, but delays are being caused by late order of material. Completion is anticipated by 23-May-2012. | |
| | | | <p>19. <u>Bethesda Hospital</u></p> <p>((043908) Peads: N/Coast Region)</p> <p>0%, Tenders closed 30-March-12 and the planned milestones are: 30-March-2012:Tender Screening; 11-April-2012: the Consultant to submit risk assessment report; BEC by 16-April-2012; and with BAC by 19-April-2012; to be advertised for Appeals 26-April-12 Issue letter of Award: 11-May-12.</p> | <i>Completion by February-2013.</i> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------------|-----------------------------------|---|---|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | Completion by February-2013. | |
| | | | 20. <u>Catherine Booth Hospital</u> <u>(043909)</u> (N/Coast Region) 15% physical progress to date and the contractor is progressing well, although behind programme for 03 weeks. Will catch-up when the tank installation commence. Completion by September-2013. | <i>Completion by September-2013.</i> |
| | | | 21. <u>Eshowe Hospital)</u> <u>((043913 North-Coast Region)</u> 0%, project served at the BEC on 26 March 2012 and sent to BAC for | <i>Completion by 2012/2013 financial year.</i> |

| PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS) | | | | |
|--|---------------------------------------|-----------------------------------|---|----------------------------------|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | approval of award, as of 05 April 2012, however still to be approved by BAC. Completion by 2012/13 financial year. | |
| | | | <p>22. <u>Eshowe Hospital</u></p> <p>((043914) North-Coast Region)</p> <p>01%, tender documents received 30-Sep-2011 and returned for corrections. With BEC: 16-Jan-12 and BAC: 19-Jan-2012 and the Site handed over 27-March-2012. Anticipated for completion during September-2012.</p> | Completion during September-2012 |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|---|---|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | 23. <u>Vryheid Hospital</u> ((040165) North-Coast Region) 0%, Award approved March 2012 and advertised for appeals on 08-March-2012 and was closed 16 March 2012 with no appeals received. Letter of Award (LoA) was issued on the 20 March 2012 and SHO by April-2012, pending approval of SHE Plan and performance guarantees. Completion by Oct- 2012. | <i>Completion by October-2012.</i> |
| | | | 24. <u>Nhlabane Clinic</u> (037968) (North-Coast Region) 92% physical progress to date and Site Hand Over (SHO) was done 14-Sept-2011. Contractor is now ahead of | <i>Completion by 14-May-2012.</i> |

| PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS) | | | | |
|--|---------------------------------|-----------------------------------|---|--|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | programme, early finish anticipated. Completion by 14-May-2012. | |
| | | | <p>25. <u>Addington Hospital</u> (044010) (eThekweni Region) 0%, site handover was done on 08-March-2012 & progressing well. Completion is anticipated by 2012/13.</p> | Completion by 2012/2013 financial year. |
| | | | <p>26. <u>Ekuhlengeni Life Care Centre</u> (044007) (eThekweni Region) 0%, Approved by BAC 23-Feb-12. Advertised (appeal): 09-March-12 and expired on 16-March-2012. SHO: 13-April-2012. Anticipated completion by 28-Feb-2014.</p> | Completion by 28-February-2014. |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|---|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | | |
| | | | <p>27. <u>R.K Khan Hospital</u></p> <p>(047321: eThekweni Region)</p> <p>0% (completion contract). New completion project has been created on WIMS. Completion anticipated in 2012/13.</p> | <p><i>Completion by 2012/2013 financial year.</i></p> |
| | | | <p>28. <u>Mbongolwane Hospital</u></p> <p>(043917: Water Supply</p> <p>(North-Coast Region)</p> <p>25% Site handed over on the 17-January-2012. Completion is anticipated by July 2012</p> | <p><i>Completion by July-2012</i></p> |

| PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS) | | | | |
|--|---------------------------------------|-----------------------------------|--|---|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | | |
| | | | <p>29. <u>Bhekabantu Hospital</u></p> <p>(031157:North-Coast Region)</p> <p>57% physical progress to date and there has been improvement since the appointment of the new Foreman. Completion anticipated by 2012/2013 financial year.</p> | <p><i>Completion by 2012/2013 financial year</i></p> |
| | | | <p>30. <u>Appelsbosch Hospital</u></p> <p>(018258: Erect lockable Garage: Southern Region)</p> <p>0% and site was handed over 06-Feb-2012. Anticipated to be completed by</p> | <p><i>Completion by April-2012</i></p> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|---|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | April-2012. | |
| | | | 31. <u>Bhobhoyi Clinic</u> (046605: Southern Region) 30% physical progress to date (completion contract). Letter of award issued on 02-Nov-2011 and site handover on 03-Jan-2012. Completion by May-2012. | <i>Completion by May-2012</i> |
| | | | 32. <u>Kwajali Clinic</u> (044463: Southern Region) 75% physical progress to date against 88% time lapse and Anticipated for completion by 2012/2013 financial year. | <i>Completion by 2012/2013 financial year</i> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|--|---|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | | |
| | | | <p>33. <u>Mbuthisweni Clinic</u></p> <p>(031195: Southern Region)</p> <p>65% physical progress to date against 54% time lapse. Delays due to site not being accessible when it rains and anticipated for completion by May-2012.</p> | <p><i>Completion by 2012/2013 financial year</i></p> |
| | | | <p>34. <u>Murchison Hospital</u></p> <p>(044042: Southern Region)</p> | |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|--|---|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | 01%; SHO by 26-Jan-12 and completion by 2012/2013. | Completion by 2012/2013 financial year |
| | | | 35. <u>Umzimkhulu Hospital</u> (044040: Southern Region) 0% and revised date for receipt of tender documents (06-July-2012) as per the meeting held on the 31-January-12 with Consultants, Client & Public Works. Completion by 2012/2013. | Completion by 2012/2013 financial year |
| | | No. of existing | 02 Clinics and 01 Hospital (03 | The remaining balance of 01 Clinic |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE | | | | | | | | | | | | | | | | | | |
|---------------------|---------------------------------|---|---|----------------------|--|-----------|--|---------|--|------|-----|------|-----|------|--|----|----|----|----|----|--|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | | | | | | | | | | | | | | | | | | | |
| | | Backlog on Clinics and Hospitals (07 Backlog Projects) | <p>Backlog Projects) have been completed as at end of March-2012.</p> <p><u>Breakdown is as follows :</u></p> <table><tr><th colspan="2">Planned</th><th colspan="2">Completed</th><th colspan="2">Outstan</th></tr><tr><th>Clin</th><th>Hos</th><th>Clin</th><th>Hos</th><th>Clin</th><th></th></tr><tr><td>03</td><td>04</td><td>02</td><td>01</td><td>01</td><td></td></tr></table> <p>The remaining balance of 01 Clinic and 03 Hospitals are to be completed in the 2012/2013 Financial Year.</p> <p>The completed projects are as follows:</p> <p>1. Phateni Clinic : Southern</p> | Planned | | Completed | | Outstan | | Clin | Hos | Clin | Hos | Clin | | 03 | 04 | 02 | 01 | 01 | | and 03 Hospitals (04 Projects) are due for completion in 2012/2013 Financial Year. |
| Planned | | Completed | | Outstan | | | | | | | | | | | | | | | | | | |
| Clin | Hos | Clin | Hos | Clin | | | | | | | | | | | | | | | | | | |
| 03 | 04 | 02 | 01 | 01 | | | | | | | | | | | | | | | | | | |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|---|--------------------------------------|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | <p>Region</p> <p>2. Gwala Clinic : Southern Region</p> <p>3. Itshelejuba Hospital: North-Coast</p> | |
| | | | <p>The 04 projects not completed are as follows:</p> <p>1. <u>Port- Shepstone Hospital</u> (001883: Southern Region)</p> <p>99% physical progress complete against 165% time lapse and completion by end of April-2012.</p> | Completion by end April-2012. |
| | | | <p>2. <u>Eshowe Hospital</u> (047304: North-Coast Region)</p> <p>99% physical progress to date and the</p> | Completion anticipated in |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|--|---|---|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | completion inspection arranged for end of April-2012. | 2012/2013 financial year. |
| | | | 3. <u>Mbongolwane Hospital</u> 046495: North-Coast Region) 13% physical progress to date. Site was handed over on the 20-October-2011. Completion by 30-April-2012. | Completion by 30-April-2012. |
| | | | 4. <u>Thokozani Clinic</u> (046591: North-Coast Region) 55% physical progress to date (completion contract). SHO by 06-Oct-11. Completion by 06-July-12 | Completion by 06-July-2012. |
| | | <u>Conditional Grant</u> No. of Revitalization Projects and Mortuaries Facilities completed by March | 03 Projects completed to date (as at end March 2012). <i>This includes the following :</i> | <u>Rietvlei Civil works:</u> Refurbish water & sewage Treatment Plan – 038345): 100% physical progress to date and practical completion taken 05-Oct-2011. |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|---|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | 2012 (05 Projects) | 1. King George V Hospital : New TB Surgical Ward & Mortuary (eThekwini Region) 2. Rietvlei Civil Works & Fencing (Southern Region) 3. Park Rynie Mortuary (Southern Region) | <u>Rietvlei</u> (Fencing–046808): 100% physical progress to date. Practical completion taken 03-Nov-2011. |
| | | | Extra 03 Projects have been completed outside the target and this include the following : 1. Ngwelezane: Refurbishment of Reservoirs (North Coast Region) 2. King George V: Landscaping 1 (eThekwini Region) | 1. Newcastle Mortuary: 96%, and completion by 2012/13. Delays due to completing Forensic Investigations. Insurance company covers all costs on fire damage and remedial works in progress. Contractor on notice. 2. Greytown Hospital (045985) Completion Contract of 035843 M1 |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|--|---|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | 3. King George V: New Main Entrance & Security Facilities. (eThekweni Region) | <i>Forensic Mortuary (15% progress on site and to complete 2012/2013)</i> |
| | | <u>Southern Region</u> Rietvlei Phase 3A Hospital : 70% complete by 31 March 2012 | <u>Rietvlei Hospital Phase 3a (Southern)</u> (i) (035411) : Phase 3a: New Pharmacy, Stores, Saundry, Maintenance Workshop, Medical waste (ii) (046688; 044188): Completion contract for Phase 3a) The project was sitting at 0% by end of March 2012. It was subject to a Court case, the judge only ruled in February | <i>Delays due to court action. Still awaiting the outcome of the Court hearing.</i> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|---|--|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | 2012. The cancellation process was completed and the tender documents for re-tendering was in process by end March 2012. Completion contract advertised. Project at Adjudication. Award to be delayed by Court action by the previous Contractor. Adjudication & Award put on hold until matter is resolved. Hearing was held 21-Sept-2011. Currently awaiting the outcome of the Court hearing. Judgement reserved. | |
| | | Rietvlei Phase 3B Hospital : 25% complete by 31 March 2012 | <u>Rietvlei Hospital Phase 3b (034086):</u> Phase 3B: Staff Accommodation, Nurses Kitchen, Doctors Houses, ARV and Audio Clinic, OPD, Parking & Gatehouse(Southern Region) | <u>Challenges and Interventions:</u> Was at audit because it exceeds R10m (28-July to 01-Sept-2011). Safety Plans and Guarantee received. SHO: 05-October-2011. |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------------|---------------------------------------|--|----------------------|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | <p>The project was sitting at 05% by end of March 2012 due to Extension of Time claim. <u>1.5 months lost due to rain during earthworks work stage.</u> Piling under 10% was below 30 MPA strength with cube tests. Core test taken and failed.</p> <p>(Core test evaluated on 24-April-2012. Contractors method statement sent to Engineers on 04-May-2012. After modifications additional piles and ground beams will be constructed over the failed piles.)</p> | |
| | | Rietvlei Civil Works & Fencing : 100% | Civil Works (038345): Refurbish water &sewage Treatment | — |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|---|---|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | complete by 30 Sep 2011 | <p>Plan (Southern Region): 100% complete</p> <p>Fencing (046808): 100% complete</p> | |
| | | Edendale Conversion Steam to Electrical : 50% complete | <p><u>Edendale Hospital (045908):</u> Conversion from Steam to Electrical (Southern Region)</p> <p>The project was sitting at 0% by end of March 2012 because it was just advertised.</p> <p>Draft tender document submitted 09-Nov-2011. Tender was round-robinned through Head Office and tenders invited 05-December-11 and closed 13-January-2012. CSI took place on 07-Dec-2011. Delays due to the DoH approval. Adjudication is complete. At</p> | <p><u>Challenges</u></p> <p>Delays by poor performing Mechanical Engineer and DoH approval.</p> <p><u>Wayforward / Interventions:</u></p> <p>Due to under-expenditure, Region to go for selective bidding process. Matter was also referred to AOCC and response back is rejected.</p> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|---|--|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | BEC/ BAC and was approved, awarded and publishing by 19-April-2012. | |
| | | Edendale Implementation of New CDC Clinic ARV Facility: 45% complete. | <u>Edendale Hospital (037188):</u> New CD Clinic & ARV Facility (Southern Region) 03% physical progress to date. | <u>Challenges</u> Delays in planning & resolving the SCM award, which required to be resolved with CFO. <u>Way-Forward/ Interventions:</u> Project was removed from Southern Region by the CFO. Site handover done 07-March-2012. |
| | | Park Rynie Mortuary : 100% complete | <u>Park Rynie Mortuary (035836):</u> Construction of Forensic Mortuary (Southern Region) 100% complete. | — |
| | | <u>Midlands Region</u> | <u>Greytown Hospital (045985):</u> | <u>Challenges:</u> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|--|--|---|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | Greytown Hospital Completion of Forensic Mortuary: 100% complete | Completion contract (Midlands Region) 15% physical progress to date and contractor on-site. | Most items are mechanical (long lead time in delivery) in nature and are due for installation at the end of contract. <u>Way Forward/ Interventions:</u> Site handover (SHO) was done on the 11-November-2011(06-month contract). |
| | | Newcastle completion of SAPS Mortuary: 100% complete | <u>Newcastle (037099):</u> Upgrade existing SAPS Mortuary (Midlands Region) <i>96% physical progress to date and anticipated completion date is end April-2012.</i> | <u>Challenges:</u> The consultant's reports revealed more damages. Contractor submitted a detailed building programme. <u>WayForward/ Interventions:</u> Insurance is meeting costs of remedial works. Remedial works to fire damage in progress and |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|--|---|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | | contractor on notice. Completion by April-2012. |
| | | <u>North-Coast Region</u> Lower Umfolozi: Additions and Alterations to Hospital Building: 30% complete | <u>Lower Umfolozi War Memorial Hospital (026229): Alterations and Additions to existing Hospital (North-Coast Region)</u> 32% physical progress to date (reduced by additional work). | <u>Challenges:</u> Additional scope requested by DoH for new Paediatric Centre changes to the existing Gynaecology & Theatre Dept Ward exceeds value of Contract. <u>WayForward/ Interventions:</u> Approval received for additional funds from DoH. Extension of Time (EoT) up to 04-August-2014 approved. |
| | | Ngwelezane Hospital Refurbishment of | <u>Ngwelezane Hospital (017096): Refurbishment of Reservoirs, Pump</u> | — |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|--|--|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | Reservoirs : 100% complete | House and related work (North-Coast Region) 100% complete. | |
| | | Ngwelezane Hospital MV and LV : 40% complete | <u>Ngwelezane Hospital (017304):</u> MV & LV Electrical reticulation upgrade incl. Generators; etc (North-Coast Region) 33% physical progress to date on site and the revised completion date is now 13-June-2013. | <u>Challenges:</u> <i>Contractor applied for 29 days EoT due to unexpected DoH additional scope</i> <u>Interventions:</u> <i>EoT approved. Revised completion date: 13-June-2013.</i> |
| | | Ngwelezane Hospital construct 2 New Wards : 75% complete | <u>Ngwelezane Hospital (026289):</u> Construct 02 new Wards (72 beds) demolish Ward A (North-Coast Region) | <u>Challenges:</u> Delays by Hospital vacating the wards, inclement weather and slow progress by Contractor. <u>Interventions:</u> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|--|--|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | 60% physical progress to date. | EoT: 35 working days approved and revised completion is 17-May-2012. EoT: 13 working days approved and revised completion is 18-June-2012. EoT: No 05 for 09 working days is still pending (excessive rain). |
| | | Ngwelezane Hospital New Psychiatric Out-Patient Clinic : 75% complete | <u>Ngwelezane Hospital (042126): New Psychiatric Out-Patient Clinic – convert the existing Psychiatric Wards (North-Coast Region)</u> 75% physical progress to date. | <u>Challenges:</u> Delay by Hospital, inclement weather (excessive rain in July/August) and slow progress by Contractor. <u>Way-Forward / Interventions:</u> DoPW issued contractor with a letter regarding slow progress and |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|--|---|---|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | | low expenditure. Progress has since improved and Contractor committed to deliver on schedule. |
| | | Ngwelezane Hospital New Therapy Department : 75% complete | <u>Ngwelezane Hospital (042127): New Therapy Department (North-Coast Region)</u> 99% physical progress to date. | <u>Challenges:</u> <i>Expenditure on equipment (off site) delayed by requirement to provide insurance and cessions. Also 08 working day delays due to excessive rain and Piling delays experienced at the beginning of project.</i> <u>WayForward/ Interventions:</u> <i>Contractor to catch up on lost time & delivery on schedule.</i> |
| | | <u>eThekwini Region</u> King Edward III Hospital: assuming | <u>King Edward VIII Hospital (033856): Construction of Roofs in Block I & N Blocks (eThekwini Region)</u> | <u>Challenges:</u> Additional 06 floors for renovation added to scope by Health (DoH). |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|---|---|---|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | approval on current contract is obtained : 60% progress | 80% physical progress to date. | <p><u>Interventions:</u></p> <p>1st and 3rd Floors of Block N handed over 30-Nov-2011. Ground & 1st Floors of Block I: handover by March 2012.</p> <p>1st and 2nd Floors of Block N: are anticipated to be handed over back to the Hospital by June 2012.</p> |
| | | King George V Hospital New TB Surgical Ward & Mortuary: 100% complete | <p><u>King George V Hospital (001581):</u> New TB Surgical Ward & Mortuary (eThekweni)</p> <p>100% complete.</p> | — |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|---|--|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | | |
| | | King George V Hospital New TB Surgical Ward & Mortuary: 100% complete | <u>King George V Hospital (001582):</u> New Creche (eThekweni Region) 100% complete. | <i>Contractor ahead of schedule but under investigation for fronting & expelled from CIDB. CFO instructed not to make payments to contractor until legal actions are complete. First Delivery is on hold</i> |
| | | King George V Hospital TB Admin : 40% complete | <u>King George V Hospital (017606):</u> New TB Administration (eThekweni) 54% physical progress to date. | <u>Challenges:</u> <i>Delays caused by approval for removal & disposal of asbestos roof tiles by Department of Labour and non-performance by contractor.</i> <u>Interventions:</u> <i>Letter of due diligence:21-Nov-11</i> |

| PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS) | | | | |
|--|---------------------------------|--|--|---|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | | <p><i>Re-measure in 21 days to access progress and possible actions.</i></p> <p><i>Project Leader is strictly monitoring progress.</i></p> |
| | | King George V Hospital TB Multistorey : 30% complete | <p><u>King George V Hospital (018480):</u> TB multi-storey: Installation of Air-conditioning System, (including Nurse Call System, new Lifts & Tiling) (eThekweni Region)</p> <p>11% physical progress to date.</p> <p>SHO was done 28-Oct-2011. Due to sites for A/C and TB Admin being next</p> | <p><u>Challenges:</u> <i>Consultants to submit EoC for additional scope (incl new lifts, tiling to ablutions, remedial work to nurse call systems and replacement of asbestos roofing).</i></p> <p><u>Way-Forward/ Interventions:</u> <i>Additional funds and additional scope approved. GM to discuss constant scope changes with DoH.</i></p> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|--|---|---|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | to each other and both contracts to share same access route, work progress (action plan) to be negotiated and approved by both contractors. EoC issued. | |
| | | King George V Hospital New TB Complex : 30% complete | <p><u>King George V Hospital (030298): New TB Complex (eThekweni Region)</u></p> <p>33% physical progress to date.</p> | <p><u>Challenges:</u> <i>Appeals lodged by 02 companies which did not bid. Project period reduced to 15 months.</i></p> <p><u>WayForward/ Interventions:</u> <i>The appeals were dismissed. SHO: 16-Sept-2011 and completion is anticipated by the 16-Sept-2013. Contract sum is: R55,521,116.16.</i></p> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|--|---|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | King George V Hospital New Workshops and Mini Laundry : 100% complete in 2 nd Quarter | <u>King George V Hospital (030300): New Workshops and mini-Laundry (eThekwini)</u> 95% physical progress to date. | <u>Challenges:</u> Delays caused by the Technical specifications changes to the roof. Additional plug points requested, being adjudicated. <u>WayForward/ Interventions:</u> EoT of 44 working days was approved. |
| | | King George V Hospital New Main Entrance & Security Facilities : complete in 1 st Quarter | <u>King George V Hospital (030301): New Main Entrance&Security Facilities (eThekwini Region)</u> 100% complete. | — |
| | | King George V Hospital Psychiatric Closed Unit: 23% | <u>King George V Hospital (035602): Psychiatric closed Unit: Alterations & Additions Moth Hall (eThekwini</u> | <u>Challenges:</u> <i>Contractor not picking up progress. Letter of due diligence</i> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|--|--|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | complete | Region) 40% physical progress to date. | <i>issued 21-Nov-2011, to re-evaluate.</i> <u>Interventions:</u> <i>To be assessed. EoC approved for additional CCTV cameras.</i> |
| | | King George V Hospital TB Surgical OPD: 32% complete | <u>King George V Hospital (038333):</u> TB Surgical OPD (eThekweni Region) 58% physical progress to date. | <u>Challenges:</u> <i>Water filtering into the site and rock encountered in excavations caused some delays.</i> <u>Interventions:</u> <i>Water filtering rectified before 09-Dec-11 Project monitored closely. Completion is anticipated by 12-May-2012.EoC for bulk oxygen tank has been approved.</i> |
| | | King George V Hospital Waste Disposal: 28% | <u>King George V Hospital (038335):</u> Waste Disposal (eThekweni Region) | |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|--|---|---|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | complete | 37% physical progress to date. | <i>Project monitored closely.</i> |
| | | <u>DoPW</u> 02 Offices completed for DoPW by March 2012 | <p>1. 01 Project completed (Mkhuze DoPW Office).</p> <p>2. Ixopo DoPW Office Project is currently at 85% complete. Delays due to claims for under floor heating pipe work and inclement weather as well as specialized paint delivery not yet received. Paint to be delivered in 04 weeks-time & completion is anticipated by May-2012.</p> | <p>—</p> <p>Anticipated to be completed by the end of May 2012.</p> |
| | % of allocated budget spent by end of Financial Year | % budget spent by March 2012 | <p>96% of allocated budget spent against 100% time lapse by the end of March-2012.</p> <p>In overall, R1,642,962 of the budget</p> | <p>Internal Capacitation Plan has been developed and was submitted to HoD.</p> <p>DoE allocated R628 million for</p> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|--|---|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | spent against allocated budget of R1,712,408 (end March-2012). | <p>2011/12 FY and against this budget, percentage achieved is 96%.</p> <p><u>DoE: Internal Challenges:</u></p> <ul style="list-style-type: none"> – Limited Capacity to deliver infrastructure i.e. limited number of Project Managers to manage projects, – Lack of procurement sufficient systems to respond to the cancelled contracts. <p><u>DoE: Interventions:</u></p> <p>Proceed to implementation with R & R projects at award stage.</p> <p>Plan for ALL projects in planning to be developed &workshopped with SCM.</p> |

| PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS) | | | | |
|--|---------------------------------|-----------------------------------|--------|---|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | | <p><i>Infrastructure review meetings with Consultants, Contractors and Project leaders to put strategies to increase expenditure i.e. increase labour force, revised programmes and the Cashflow projections by October 2011.</i></p> <p><i>Filling of vacant posts and also implementation of Capacitation Plan; Strengthening of evaluation and adjudication processes to deal with multiple awards, bank ratings etc;</i></p> <p><i>Close monitoring of IRM updates by Regions as resolved on meetings held with Regions to finalise IPMP & IPIP.</i></p> <p><i>IDIP TA is currently investigating reporting formats and PPO to provide standard reports.</i></p> <p><i>Provide the revised cashflow</i></p> |

| PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS) | | | | |
|--|---------------------------------|-----------------------------------|--------|--|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | | <p><i>projections for the next six months of the financials, based on the engagements on the above meetings</i></p> <p><u>Other Clients: Challenges</u></p> <p>Southern Region extension to offices delayed due to court order, Midlands region reduced budget on Tugela new offices, eThekweni reduced budget on the new District offices.</p> <p>Delays in approving Agric & DoPW IPIP on time had effect on projects (tender ready);</p> <p>Lack of unplanned Agric & DsD Maintenance projects.</p> <p><u>Interventions</u></p> |

| PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS) | | | | |
|--|---------------------------------|-----------------------------------|--------|---|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | | 191 new phases will only be advertised in 2011/12 and to be spent in 2012/13. Projections according to IPIP. |
| | | | | <p><u>DoH Challenges:</u></p> <p>DoH approved the revised budget of R453,548 & overall performance has since improved.</p> <p>Non-performance</p> <ul style="list-style-type: none"> –Delays due to Treasury instruction –Delays in SCM processes i.e. Award of Contracts –Poor performance by Contractors <p>Cancelled contract</p> <p>Roaster of approved service providers (contractors) for</p> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------|-----------------------------------|--------|---|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | | <p>completion contracts</p> <p>Monitoring and control of projects</p> <p>Inadequate monitoring projects</p> <p><u>DoH: WayForward / Interventions:</u></p> <p>–Review the Procurement Plan to cater for the Audit processes</p> |
| | | | | <p>–Central database for checking the previous performance of contractors</p> <p>–Approval of Fixed Rate Period Contract (FRPC)</p> <p>–Filling of vacant Project, Programme management & Professional posts</p> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|--|-----------------------------------|---|---|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | | –Implementation of capacitation plan. |
| | % of allocated budget spent per Client request (Maintenance Projects) all Provincial Departments | % budgets of Projects completed | <p>Implemented as per the Adhoc Instruction.</p> <p><u>Dept. of Public Works (DoPW)</u></p> <p>114% of the budget spent to date (end March 2012)</p> <p><u>Dept. of Education (DoE)</u></p> <p>102% of the budget spent to date (end March 2012)</p> <p><u>Dept. of Health (DoH)</u></p> <p>119% of the budget spent to date (end March 2012)</p> <p><u>SASSA</u></p> | Letters requesting Client Departments (DSD and Agric) to avail more Maintenance Projects or DoPW to declare funds back were sent for HoD's signature on the 13-July-2011. |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------------|-----------------------------------|---|----------------------|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | <p>100% of the budget spent to date (end March 2012)</p> <p><u>Dept. of Arts & Culture</u></p> <p>100% of the budget spent to date (end March 2012)</p> <p><u>Dept. of Economic Development & Tourism</u></p> <p>100% of the budget spent to date (end March 2012)</p> <p><u>Dept. of Human Settlements</u></p> <p>104% of the budget spent to date (end March 2012)</p> | |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---------------------------------------|-----------------------------------|--|----------------------|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | <p><u>Provincial Parliament</u></p> <p>100% of the budget spent to date (end March 2012)</p> <p><u>Premier</u></p> <p>60% of the budget spent to date (end March 2012)</p> <p><u>Dept. of Transport</u></p> <p>381% of the budget spent to date (end March 2012)</p> <p><u>Dept. of CoGTA</u></p> <p>100% of the budget spent to date (end March 2012)</p> | |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|---------------------|---|---|---|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | <p><u>Dept. of Social Development</u></p> <p>1017% of the budget spent to date (end March 2012)</p> <p><u>Dept. of Agriculture</u></p> <p>0% (No Budget)</p> <p><u>Royal Household</u></p> <p>0% (No Budget)</p> <p><u>Dept. of Sports & Recreation</u></p> <p>0% (No Budget)</p> | |
| | No. of existing Internal District Offices to be Disable-User-Friendly in terms of Toilets and | Upgrade 191 Prince Alfred Street (Head Office) and North-Coast Regional | <p>North Coast Reg. Office:</p> <p>Investigation was done and the lifts were found to be too old for installation of new voice facility.</p> | <p><u>Challenges</u></p> <p>191 Head Office</p> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|--|---|---|---|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | Ramps | Offices with Voice Facility (Disabled Friendly) | | <p><i>Voice Facility projects will be incorporated on 191 Phase II, but the project has delayed due to land issues.</i></p> <p><u>Way-Forward/ Interventions</u></p> <p>Ixopo have no lifts facilities and Midlands have a disabled friendly lift.</p> |
| To promote indigenous construction methods | Participate in the Energy Saving (Alternative Construction Methods) | Ixopo District Office piloted | Project currently on-site with 85% physical progress to date. Delays due to under floor claims - heating pipework; inclement weather and specialized paint delivery not yet | <p><i>Project back on track& progressing well on site.</i></p> <p><i>Awaiting delivery of specialized paint in 04 weeks time.</i></p> |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE | | | | | | | | | | | | | | | | | | |
|---|---------------------------------------|--|--|---|-------------|-----------------------------------|-----------------------------------|----|-----------|-----|----|----------|----|----|----------|----|----|-------------|----|-------|--|-----|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | | | | | | | | | | | | | | | | | | | |
| | | | received. Completion anticipated by end of May 2012. | | | | | | | | | | | | | | | | | | | |
| To implement Masakhe Emerging Contractor Development Programme | Number of Contractors trained | 500 New Contractors trained on Capacity Building in Partnership with NURCHA by March 2012. | 379 Contractors have been trained to date (end-March-2012) in Partnership with NURCHA. | NO funding allocation for Masakhe ECDP in the 2011/2012 Financial Year. | | | | | | | | | | | | | | | | | | |
| | | | <table><tr><td>N o</td><td>Region</td><td>Contractors Train (March 2012)</td></tr><tr><td>1.</td><td>eThekwini</td><td>221</td></tr><tr><td>2.</td><td>Southern</td><td>80</td></tr><tr><td>3.</td><td>Midlands</td><td>48</td></tr><tr><td>4.</td><td>North-Coast</td><td>30</td></tr><tr><td colspan="2">TOTAL</td><td>379</td></tr></table> | | N o | Region | Contractors Train (March 2012) | 1. | eThekwini | 221 | 2. | Southern | 80 | 3. | Midlands | 48 | 4. | North-Coast | 30 | TOTAL | | 379 |
| | | | N o | | Region | Contractors Train (March 2012) | | | | | | | | | | | | | | | | |
| | | | 1. | | eThekwini | 221 | | | | | | | | | | | | | | | | |
| | | | 2. | | Southern | 80 | | | | | | | | | | | | | | | | |
| | | | 3. | | Midlands | 48 | | | | | | | | | | | | | | | | |
| | | | 4. | | North-Coast | 30 | | | | | | | | | | | | | | | | |
| | | | TOTAL | | 379 | | | | | | | | | | | | | | | | | |
| All regions are trained internally on OHS, EPWP&SCM processes which is NQF Level 2; CIDB construction | | | | | | | | | | | | | | | | | | | | | | |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE | | | | | | | | | | | | | | | | | | |
|--|---|--|--|--|-------------|--------------------------------|--------------------------------|----|-------------|--------|----|----------|--------|----|-----------|--------|----|----------|--------|-------|--|---------|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | | | | | | | | | | | | | | | | | | | |
| | | | management and project/programme management. | | | | | | | | | | | | | | | | | | | |
| Promotion of Labour Intensive Construction Methods through Expanded Public Works Programme | No. of EPWP Job Opportunities created by March 31 | 28 000 Job Opportunities created by March 2012 | From April to date (as at the end of March-2012), 137,207 Work Opportunities have been created and the breakdown is as follows: | Annual target was over-achieved due to the up-scaling of Izandla Ziyagezana and the KZN Integrated Greening Programme | | | | | | | | | | | | | | | | | | |
| | | | <table><tr><th>No</th><th>Region</th><th>Work Opportun created (March 2</th></tr><tr><td>1.</td><td>North-Coast</td><td>63 537</td></tr><tr><td>2.</td><td>Southern</td><td>26 937</td></tr><tr><td>3.</td><td>eThekwini</td><td>28 108</td></tr><tr><td>4.</td><td>Midlands</td><td>18 625</td></tr><tr><td colspan="2">TOTAL</td><td>137 207</td></tr></table> | | No | Region | Work Opportun created (March 2 | 1. | North-Coast | 63 537 | 2. | Southern | 26 937 | 3. | eThekwini | 28 108 | 4. | Midlands | 18 625 | TOTAL | | 137 207 |
| | | | No | | Region | Work Opportun created (March 2 | | | | | | | | | | | | | | | | |
| | | | 1. | | North-Coast | 63 537 | | | | | | | | | | | | | | | | |
| | | | 2. | | Southern | 26 937 | | | | | | | | | | | | | | | | |
| | | | 3. | | eThekwini | 28 108 | | | | | | | | | | | | | | | | |
| | | | 4. | | Midlands | 18 625 | | | | | | | | | | | | | | | | |
| | | | TOTAL | | 137 207 | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | |
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| | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | |
| | | | This equates to 8,271 actual Jobs created from April to date. Breakdown | Annual target was over-achieved due to the up-scaling of Izandla | | | | | | | | | | | | | | | | | | |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE | | | | | | | | | | | | | | |
|---------------------|---------------------------------|-----------------------------------|---|---|--------|-----------------------------|----------------------------------|----|-------------|-------|----|-----------|-------|----|----------|-------|----|----------|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | | | | | | | | | | | | | | | |
| | | | is as follows: | <i>Ziyagezana and the KZN Integrated Greening Programme.</i> | | | | | | | | | | | | | | |
| | | | <table><tr><th>No.</th><th>Region</th><th>Actual Jobs created (March 2012)</th></tr><tr><td>1.</td><td>North-Coast</td><td>2 781</td></tr><tr><td>3.</td><td>eThekwini</td><td>2 792</td></tr><tr><td>2.</td><td>Southern</td><td>1 654</td></tr><tr><td>4.</td><td>Midlands</td><td>1 044</td></tr><tr><td colspan="2">TOTAL</td><td>8 271</td></tr></table> | | No. | Region | Actual Jobs created (March 2012) | 1. | North-Coast | 2 781 | 3. | eThekwini | 2 792 | 2. | Southern | 1 654 | 4. | Midlands |
| No. | Region | Actual Jobs created (March 2012) | | | | | | | | | | | | | | | | |
| 1. | North-Coast | 2 781 | | | | | | | | | | | | | | | | |
| 3. | eThekwini | 2 792 | | | | | | | | | | | | | | | | |
| 2. | Southern | 1 654 | | | | | | | | | | | | | | | | |
| 4. | Midlands | 1 044 | | | | | | | | | | | | | | | | |
| TOTAL | | 8 271 | | | | | | | | | | | | | | | | |
| | | | From April to date, 2,264 FTEs {Person-Days-of-work ÷ 230 Days) have been achieved as follows: | KZN DoPW has a target of 660 FTEs for the 2011/2012 Financial Year and the monthly target was achieved. | | | | | | | | | | | | | | |
| | | | <table><tr><th>No.</th><th>Region</th><th>FTE's Achieved (March 2012)</th></tr></table> | No. | Region | FTE's Achieved (March 2012) | | | | | | | | | | | | |
| No. | Region | FTE's Achieved (March 2012) | | | | | | | | | | | | | | | | |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | | REASONS FOR VARIANCE | | |
|---|---|--|--|-------------|----------------------|--|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | | | | |
| | | | 1. | North-Coast | 1 030 | | |
| | | | 3. | eThekwini | 453 | | |
| | | | 2. | Southern | 413 | | |
| | | | 4. | Midlands | 368 | | |
| | | | TOTAL | | 2 264 | | |
| | | | | | | | |
| To empower Youth through National Youth Service (NYS) programme and priority skills | Number of NYS Learners completing NYS Programme | 150 Qualifying Learners exiting to Job Opportunities to various Municipalities by March 2012 | 30 NYS learners were placed with various companies. MoU was signed with COGTA to place the learners with Municipalities as exit job opportunities. | | | MoU could not be implemented as COGTA stated that they don't have the powers to instruct the Municipalities to absorb the learners. <u>Interventions</u> Department continues to lobby for the absorption of the learners with | |

PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS)

| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
|-----------------------------------|--|--|--|--|
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | | various Companies. Municipalities have been engaged to assist in providing exit opportunities for new NYS recruits (2012/2013) to be trained on National Certificate: Building & Civil Construction at NQF level 3 with 140 credits. |
| To implement Partnership Projects | Number of Partnership Projects Implemented | 02 Partnerships Projects Implemented by March 2012 | Partnership: Construction CETA Workplace experiential learning commenced well in Midlands, North-Coast and eThekweni. Southern Region not yet finalized linking of learners to the mentors. The anticipated completion of the programme was anticipated by early Feb-2012, though reliant on the pace of learners completing their hours allocated for practicals as required by | Allocation of learners to mentors currently engaged in projects is a challenge since Department undertakes minimal construction work. Linking of learners to external service providers is being explored. Meeting was scheduled in January 2012 with Training providers to explore various options. |

| PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT (OPERATIONS) | | | | |
|--|---------------------------------------|-----------------------------------|--------|----------------------|
| STRATEGIC OBJECTIVE | PROGRAMME PERFORMANCE INDICATOR | ACTUAL PERFORMANCE AGAINST TARGET | | REASONS FOR VARIANCE |
| | | ANNUAL TARGET 2011/2012 | ACTUAL | |
| | | | CETA. | |

3. ANNUAL FINANCIAL STATEMENTS

3.1 REPORT OF THE AUDIT & RISK COMMITTEE ON

VOTE 14 – PUBLIC WORKS

The KwaZulu-Natal Provincial Audit & Risk Committee is pleased to present its report for the financial year ended 31 March 2012.

Provincial Audit & Risk Committee Members and Attendance

The Provincial Audit and Risk Committee (the PARC) consists of the members listed hereunder. The PARC is split into three (3) Cluster Audit & Risk Committees (the CARC) which consists of members of the PARC; is responsible for the Governance & Administration, Social and Economic Clusters respectively and reporting into the PARC. The Chairman of the PARC is also the Chairman of the different CARCs and attends all CARC meetings. The CARC and the PARC are required to meet at least four times and two times respectively in a financial year. During the financial year ending 31 March 2012, a total of thirteen meetings (13) were held, namely, two (2) PARC meetings, three (3) CARC meetings per cluster, and two (2) special meetings. Members attended the meetings as reflected below:

| Surname & Initial | PARC | | CARC | | Special | | Total no. of Meetings | Total no. of Meetings Attended |
|-------------------------|----------------------|----------|----------------------|----------------|----------------------|----------|-----------------------|--------------------------------|
| | No. of Meetings Held | Attended | No. of Meetings Held | Attended | No. of Meetings Held | Attended | | |
| Ms T Tsautse (Chairman) | 2 | 2 | 9 | 9 [#] | 2 | 2 | 13 | 13 |
| Ms M Mothipe | 2 | 1 | 3 | 3 [*] | 2 | 2 | 7 | 6 |
| Ms N Jaxa | 2 | 2 | 3 | 3 [*] | 2 | 2 | 7 | 7 |
| Mr L Mangquku | 2 | 2 | 3 | 3 [*] | 2 | 2 | 7 | 7 |
| Mr T Boltman | 2 | 2 | 3 | 3 [*] | 2 | 2 | 7 | 7 |
| Mr F Docrat | 2 | 2 | 3 | 3 [*] | 2 | 2 | 7 | 7 |
| Mr V Naicker | 2 | 2 | 3 | 3 [*] | 2 | 1 | 7 | 6 |

* - 3 Meetings per cluster were held

- Chairman attends all CARC meetings

Provincial Audit & Risk Committee Responsibility

The Provincial Audit and Risk Committee reports that it complied with its responsibilities arising from the Public Finance Management Act, No.1 of 1999 (PFMA), Treasury Regulations, including any other statutory and other regulations. The Provincial Audit and Risk Committee also reports that it adopted appropriate formal terms of reference as its Provincial Audit and Risk Committee Charter, regulated its affairs in compliance with this charter and discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control

The systems of internal control are the responsibility of the department's management and are designed to provide effective assurance that assets are safeguarded and that liabilities and working capital are efficiently managed. In line with the requirements of the PFMA and the principles of the King III Report on Corporate Governance, the Internal Audit Function provides the Provincial Audit and Risk Committee and the departmental management with assurance that the systems of internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. From the various reports of the Internal Auditors; and the Report and Management Letter of the Auditor-General on the Annual Financial Statements, it was noted that the systems of internal control were not effective for the entire year under review as control deficiencies were detected in the following significant areas:

- Supply Chain Management
- Asset Management
- Property management
- Implementation of the Government Immovable Asset Management Act
- Provision of building, structures & equipment
- Expanded Public Works Programme
- Information Technology General Controls

The quality of “In Year Monitoring” and monthly / quarterly reports submitted in terms of the Treasury Regulations and the Division of Revenue Act

The Provincial Audit and Risk Committee, through the Internal Audit Function, was satisfied with the content and quality of monthly and quarterly reports prepared and issued by the Accounting Officer and the department during the year under review except for underspending of the budget by the Department.

Audit of Performance Information

The monitoring of the department's performance is a key function of the executive management of the department. The Provincial Audit & Risk Committee has no direct line of responsibility over the department's performance. However, the Provincial Audit and Risk Committee is responsible for ensuring, principally through the Internal Audit Function that the systems of performance management, measurement and reporting; as well as the systems of internal control that underpin the performance management framework of the department, remain robust and are reviewed routinely in the internal audit plans.

The Committee has accepted the responsibility of ensuring that adequate reporting on performance information is in line with its mandate and charter.

The Committee reviewed the reports relating to Performance Information and noted no material deficiencies.

Internal Audit Function

The Provincial Audit & Risk Committee provides oversight and monitors the activities of the Internal Audit Function. Consequently, the Committee is able to report on the effectiveness and efficiency of the function.

The function was effective during the period under review and there were no unjustified restrictions or limitations. The Committee will in the forthcoming year, monitor progress to ensure that the Internal Audit Function continues to add value to the department and achieves its optimal performance.

Risk Management Function

Risk Management is a proactive discipline that involves scenario planning and that is intended to provide reasonable assurance that the department will achieve its objectives. King III principle 2.2 states that the board, (executive authority in the case of a government department) "should appreciate that strategy, risk, performance and sustainability are inseparable."

The committee noted that, during the 2011/12 financial year, the Internal Audit Unit assisted the department with a risk streamlining exercise. This exercise was an attempt to create one reference point for organizational risks – i.e. one risk register instead of pockets of risk registers that the department used to have prior to this exercise.

The consolidated risk register was presented to the Committee in the fourth quarter of the 2011/12 financial year. The committee advised that:

- The department review the accuracy of the risk register and the appropriateness of the risk ratings,
- The Internal Audit Unit formally handed-over the risk register to the department,
- The department strengthens its risk management function and oversight structures in order to ensure the sustainability of this process.

Other Governance Issues

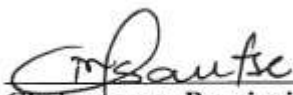
As part of its governance responsibilities, the Committee also monitors the fraud prevention strategies that have been developed and implemented by provincial departments, and these responsibilities include monitoring the implementation of recommendations arising from forensic investigations.

During the period under review, the Committee noted that the department had 8 completed investigations and 3 ongoing investigations that were conducted by the Provincial Treasury's Internal Audit Function.

The department was urged to implement recommendations arising from the completed investigation, and to provide the Internal Audit Function with a detailed list of all other investigations being conducted internally or by other relevant authorities.

Evaluation of Financial Statements

The Provincial Audit and Risk Committee reviewed the Annual Financial Statements of the Department, as well as the Auditor General's management report together with management's response thereto. The Provincial Audit and Risk Committee concurs and accepts the Auditor-General's conclusions on the annual financial statements, and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General.



Chairperson: Provincial Audit & Risk Committee

Date: 31 July 2012

3.2 Report of the Accounting Officer

Report by the Accounting Officer to the Executive Authority and Provincial legislature of KwaZulu-Natal

3.2.1 General Review of the State of the Financial Affairs

3.2.1.1 Key Priorities

Keeping on the task at hand has become one of the critical elements in the implementation and achievements on the key departmental programmes and government priorities. All our effort and work have been significantly directed towards improving service delivery in particular job creation, infrastructural delivery, implementation of GIAMA, payment of municipal property rates, Izandla Ziyagezana, the Property Incubator Programme, skills development through bursary awards, the National Youth Service and other priorities. We have been able to deliver on these applying and complying with provincial cost-cutting measures. In this regard, we have been able to consistently reduce wastage and focused on key priorities in order to improve service delivery and bring about better life for all.

Towards the above the department has been able to deliver a total of 137, 207 Work Opportunities and this has been due to the up-scaling of Izandla Ziyagezana and the KwaZulu-Natal Integrated Greening Programme for 2011/2012 financial year. Consequently, the department has contributed towards poverty alleviation and provision of practical skills to the previously disadvantaged programmes.

On the infrastructural delivery, the department has spent R 1,643 billion representing 97% expenditure of client budget. This is a good move towards ensuring that the department indeed does become an implementing agent of choice in the Province of KwaZulu-Natal. The department has also succeeded in effectively eliminating the infrastructural backlog of toilets and classrooms. As aforementioned there has been a significant improvement in the delivery of the infrastructure and the client relations have significantly improved.

On the property management sectors, we have been able to update a total of 8524 of the 11461 fixed assets on our Fixed Asset Register as part of the implementation and compliance with GIAMA. A total of 173 properties were audited, which was a more than 100% planned achievement.

Fundamentally the department has succeeded in implementing its set targets for 2011/2012 financial year. In that light, the department remains on board in terms of implementing the priorities contained in the 2010-2015 Departmental Five-year plan.

3.2.1.2. Spending Trends

The budget allocation to the department's vote decreased by 10.0% from R1, 333,583 billion in 2010/11 to R1, 212,970 billion in 2011/12. Included is an amount of R 42, 295 million, which was rolled over from 2010/11 to 2011/12, in respect of the devolution of property rates conditional grant. The grant was decreased by R 55, 000 million, which was surrendered to the National Department of Public Works.

At the end of the 2011/12 financial year, the department had spent R1, 182, 268, billion or 97, 5% of its budget. The under-expenditure of 2.5% of the budget allocation was due to the following:

- R16,248 million, in terms of property rates, mainly due to none receipt of invoices and insufficient information in respect of invoices received from some municipalities. However it must be noted that all invoices received from Municipalities were settled at year end.
- R14,467 million in terms of capital infrastructure, mainly due to contractor delays and slow progress of projects. Roll-over has been requested for committed capital projects from the 2011/12 to 2012/13 financial year.

1. Services Rendered By the Department

In terms of its mandate, the department provides provincial client departments with the following building infrastructure and property management services:

- The construction of public buildings, involving the physical erection or major improvement in respect of infrastructure in the building environment;
- The maintenance of public buildings and land, including performing the necessary work to keep the required level of operation;
- The acquisition of buildings and land to meet the accommodation and service facility needs of provincial government departments; and
- The alienation of public buildings and land, including the disposal of fixed assets by selling, demolition, exchanging and donation.

The Department bears the cost of providing the administrative, professional and technical support from its budget and it recovers the cost of providing building infrastructure services from the client departments on a cost basis. The Department therefore does not operate a tariff policy.

Detailed analysis of expenditure on client departments for 2011/12 shows that services are provided to all the client departments throughout the province.

CLIENT EXPENDITURE FOR 2011/2012

Infrastructure

| OBJECTIVE | ETHEKWINI REGION R,000 | MIDLANDS REGION R,000 | NORTH COAST REGION R,000 | SOUTHERN REGION R,000 | TOTAL R,000 |
|---------------------------------|---------------------------------------|--------------------------------------|---|--------------------------------------|------------------------|
| Arts and Culture | 73 | 0 | 49 | 182 | 304 |
| Agriculture | 881 | 7,088 | 18,731 | 13,588 | 40,288 |
| Economic Dev | 0 | 0 | 639 | 0 | 639 |
| Education | 117,102 | 133,323 | 299,995 | 171,028 | 721,448 |
| Health | 85,946 | 44,394 | 131,538 | 185,085 | 446,963 |
| Health – Conditional Grant | 109,051 | 14,097 | 158,553 | 41,531 | 323,232 |
| Royal Household | 0 | 0 | 0 | 0 | 0 |
| Human Settlement | 0 | 0 | 11 | 0 | 11 |
| Prov. Parliament | 84 | 60 | 184 | 5,865 | 6,193 |
| Premier | 861 | 0 | 259 | 781 | 1,901 |
| Transport | 100 | 61 | 546 | 5,356 | 6,063 |
| Sport & Recreation | 52 | 0 | 0 | 1,515 | 1,567 |
| Co-Operative Gov & Trad Affairs | 1,344 | 58 | 547 | 3,998 | 5,947 |
| Social Development | 4,381 | 11,271 | 14,266 | 7,192 | 37,110 |
| Public Works | 3,600 | 8,832 | 22,404 | 16,663 | 51,499 |
| SASSA | 73 | 0 | 0 | 83 | 156 |

| | | | | | |
|--------------|----------------|----------------|----------------|----------------|------------------|
| TOTAL | 323,548 | 219,184 | 647,722 | 452,867 | 1,643,321 |
|--------------|----------------|----------------|----------------|----------------|------------------|

Infrastructure spending for Health and Education was exceptionally high, with 100% spending for both these clients. Low Expenditure for Public Works can be attributed to land delay issues and pending legal matters. Overall achievement in respect of Infrastructure spending was 96% of the budget.

Leased Properties

| OBJECTIVE | ETHEKWINI REGION R,000 | MIDLANDS REGION R,000 | NORTH COAST REGION R,000 | SOUTHERN REGION R,000 | TOTAL R,000 |
|--------------------|---------------------------------------|--------------------------------------|---|--------------------------------------|------------------------|
| Arts and Culture | 4 036 751 | 579 986 | 0 | 4 166 128 | 8 782 865 |
| Agriculture | 3 391 379 | 2 785 390 | 3 322 375 | 1 413 589 | 10 912 733 |
| Comm Safety | 0 | 0 | 0 | 2 931 602 | 2 931 602 |
| Economic Dev | 3 049 034 | 2 219 488 | 1 877 642 | 10 661 191 | 17 807 355 |
| Education | 764 330 | 9 489 042 | 2 710 682 | 22 876 610 | 35 840 664 |
| Royal Household | 0 | 0 | 0 | 0 | 0 |
| Human Settlements | 4 558 289 | 0.00 | 0 | 3 726 246 | 8 284 535 |
| Health | 13 720 266 | 8 850 317 | 7 458 099 | 34 969 864 | 64 998 546 |
| Prov. Parliament | 0 | 0 | 0 | 0 | 0 |
| Premier | 1 117 457 | 0 | 0 | 0 | 1 117 457 |
| Transport | 526 680 | 0 | 0 | 1 826 433 | 2 353 113 |
| Sport & Recreation | 0 | 947 493 | 1 344 644 | 2 684 469 | 4 976 606 |

| | | | | | |
|--------------------|-------------------|-------------------|-------------------|--------------------|--------------------|
| COGTA | 1 228 235 | 1 442 512 | 597 952 | 8 349 351 | 11 618 050 |
| Social Development | 4 588 562 | 2 346 289 | 1 018 777 | 9 959 523 | 17 913 151 |
| Treasury | 0 | 0 | 0 | 4 171 073 | 4 171 073 |
| Public Works | 0 | 785 438 | 0 | 1 919 714 | 2 705 152 |
| TOTAL | 36 980 983 | 29 445 954 | 18 330 170 | 109 655 693 | 194 412 902 |

R194 412 902 million has been spent on the hiring of properties for Provincial Government use. The future outlook remains constant unless there is further investment in the construction of new office accommodation. In the event that Government constructs Government buildings, the picture on expenditure will decline. Currently there is a proposal to construct a government office park in Pietermaritzburg.

Property Rates

The department is also responsible for the payment of property rates for provincial owned property. The department received a conditional grant of R 518, 585 million, a roll-over of R42, 295 million giving a total allocation of R 560, 880 million. The department surrendered R55 million in terms of the conditional grant to National Public Works for redistribution to other provinces and was due to disputes with certain municipalities which was resolved in the favour of the department. The dispute arose regarding claims for rates for properties which the department believed did not belong to the province.

The department spent R489, 480 million, which represented 96.8 % of the adjusted allocation of R 505, 880 million and had settled all invoices received from Municipalities as at the year end.

3. Human Resource Capacity Constraints

Operating within the built environment professions makes it compulsory for the department to employ experienced professional, technical and specialist services of architectures, quantity surveyors, engineers such as civil, electrical and mechanical, and other related fields such as project managers. These professions remain a national challenge and they fall within a category of scarce skills in our country. Hence the shortage of suitably labour is identified as one of the binding constraints that negatively contribute to challenges the Department face in realizing its mandate in infrastructure.

Responding to this challenge, the Infrastructure Delivery Improvement Programme (IDIP), a nationally funded programme, is assisting to improve infrastructure delivery through improved systems effectiveness and capacity building specifically in the Provincial Departments of Health, Education, Public Works and Provincial Treasury. National Treasury has adopted the Infrastructure Delivery Management System (IDMS) as the model that shall manage and deliver infrastructure for targeted government departments. A capacitation framework has been developed by IDIP with input and support from DPSA that is aligned to the IDMS. The capacitation framework describes and elaborates on generic steps that should be followed to address the HR issues and establishes sustainable institutional capacity within provincial governments to support effective and efficient infrastructure planning and delivery. The focus will be on two strategic levels of the human resource capacity strategy namely:

- organisational structure; and
- people

The launch of the Human Resource capacity strategy and implementation with KZN Public Works in the Province commences in June 2012.

4. Utilisation of Donor Funding

The Department did not utilise any donor funds during the 2011/12 financial year.

5. Trading entities and public entities

The Department was not involved with trading and public entities during the 2011/12 financial year.

6. Organisations to who transfer payments have been made

Transfer payments as reflected in the Annual Financial Statement are in respect of payment of Municipal rates to municipalities, transfer to households in respect of severance packages and department Agencies and Accounts in respect of skills levy and workmans compensation.

7. Public private partnerships (PPP)

The Department has not entered into any public private partnerships during the 2011/12 financial year.

8. Corporate governance arrangements

Senior Management of the Department of Public Works endorses the Code of Corporate Practices and conduct contained in King Report III Report on good Corporate Governance; Senior Management recognises the need to conduct the Department of Public Works affairs with integrity and in accordance with generally accepted corporate practices.

8.1. Risk Management

The Department continued to have quarterly Departmental Risk Management Committee meetings with the purpose of monitoring and managing the impact of identified risks and to ensure timeous corrective action is taken to mitigate the impact of these risks. The Department reported quarterly to the Audit Committee who is responsible for the oversight of the Internal Audit function which includes Risk Management and evaluating and monitoring the Department's performance with regard to Risk Management. The Departmental Risk Management process includes Regional Risk Committee meetings and the monitoring of mitigating strategies as identified in the risk registers maintained in the Regions as part of the business process

8.2 Fraud Prevention

A zero tolerance policy on fraud and corruption has been adopted by the Department. The Department considers fraud prevention as an integral part of an overall Departmental Risk Management Strategy. The Compliance & Risk Management Directorate focuses specifically on fraud prevention through conducting fraud awareness workshops, detection and investigation. The Department has fraud prevention policy and response plan that contains the policy stance of the Department to fraud and corruption as well as the response mechanisms in place to report, investigate and resolve incidents of fraud and corruption which impact on the Department.

8.3 Effectiveness of Internal Audit and Audit Committee

Internal Audit implements a risk based internal audit plan annually. It performs a support, role to management by ensuring periodic audits and reports are produced based on evaluation of the Department's system of internal controls and risk management processes. Internal Audit also assesses the Department's ability to comply with legislative requirements as well as performance of its function in accordance with the mandate and commitment made in the strategic plan.

The Audit committee has been appointed in terms of PFM Act, 1999 (Act No. 1 of 1999) as amended and members discharge their functions in accordance with the PFMA, Treasury regulations and Audit Committee Charter. Members have at each Audit Committee meeting engaged management on, among others, matters relating to performance and financial management improvement action plans formulated to address performance and financial management weakness identified by external auditors during the financial year.

8.4 Other governance structures, including management processes to minimise conflict of interest.

The following committees exist: Top Management, Executive Committee (EXCO), Departmental Bid Adjudication Committee (BAC), Departmental Risk Committee and Regional Management Committee (MANCO). These are functioning effectively and are achieving their objectives. Management structures

are in place to deal with the flow of information, issues of conflict of interest, provide leadership and facilitate decision making. The Department has an established Executive Committee which meets on a monthly basis to monitor and report back on the performance of each of the Departments programmes. This committee also sets and provides the strategic leadership within the Department.

8.5 Implementation of the Code of Conduct

The Department continued to hold workshops and to implement the Public Service Code of Conduct developed by DPSA to manage the conduct of employees. This is supplemented by Public Service Coordinating Bargaining Council (PSBC) resolutions such as Disciplinary Procedure (Resolution 1 of 2003) and Grievance Procedures (Resolution 14 of 2002) in the public service to deal with disciplinary matters as well as formal complaints from employees.

9. Discontinued activities / activities to be discontinued

There are no discontinued activities.

10. New Proposed activities

There are no new proposed activities for the 2012/13 financial year

11. Asset Management

The department has established both an immovable and movable asset register. In terms of the immovable asset register the department has a complete register meeting the minimum requirement of National Treasury guidelines. In terms of movable assets the department has recorded all assets on the register and meets the minimum requirements as required by National Treasury.

12. Inventories

All inventory opening and closing balances, together with movements for the year will be reflected in the annexure on Inventory. The total value of the closing balance as at 31 March 2012 was R3,999 million.

13. Events after the reporting date

There were no significant events after the reporting date which would materially affect the financial statements.

14. Information on predetermined objectives

The departmental performance information has been reported on monthly and quarterly basis. This has enabled the department to track its performance per functional area and also identify challenges and appropriate interventions and control measures. In addition to this, the department conducts mid-term reviews.

To effectively improve on this function, the department has established a dedicated unit to improve the internal processes on matters relating to planning, implementation, monitoring and reporting.

15. SCOPA resolutions

| SCOPA RESOLUTION | SUBJECT | PROGRESS |
|---|--|--|
| Resolution 47/2011 (Resolution 6/2011) | Security and maintenance of unoccupied state owned property | The draft Strategy on “the management of unutilised buildings” is in place and being finalised by the department. Identification of unutilised state property has been conducted. Properties which have been identified as unutilised are to be disposed |
| Resolution 44/2011 (Resolution 7/2011) | Immovable asset register | <u>Incompleteness of immovable assets disclosure.</u> All efforts were made between the department of Public Works and the Department of Rural Development & Land Reform to expedite the application process. Item 28(1) certificates for 1464 properties have been received. The analysis is to be finalised on the 3 rd February 2012 <u>Schools not included in the disclosure</u> With regard to the former model “c” schools Out of 986 properties, to date 487 have been registered in the Name |

| SCOPA RESOLUTION | SUBJECT | PROGRESS |
|-----------------------|--|--|
| | | <p>Provincial Government of Province of KZN. Out of 136, the total of 13 properties was endorsed during December 2011 & January 2012. The 123 properties are being prepared for lodging in February 2012.</p> <p>376 properties are still waiting for the issue of duplicate Title Deeds through the Office of the State Attorney so that the transfer process is completed.</p> <p><u>Municipal value discrepancies</u></p> <p>The Fixed Asset Register has 6262 facilities and 4267 land parcels with municipal valuations. The valuation of 27 properties by Professional Valuers is complete. The second phase of 1503 properties is underway with the completion date being 15 February 2012. The updating of the Fixed Asset Register with property values is ongoing.</p> <p><u>Upgrades and additions</u></p> <p>The department is receiving information from various user departments on a monthly basis. The inspections are being done on various projects to confirm the nature and existence of such upgrades and additions and thereafter update the Fixed Asset Register.</p> |
| Resolution 46/2011 | Use of implementing agents in the construction of State Owned Immovable assets | <p><u>Building Capacity</u></p> <p>The capacitation plan has been approved by the MEC and submitted to the Provincial Treasury for their input. Initiatives are currently underway in the Department to attract appropriately skilled personnel to build the capacity of the department to fulfil the building and development requirements of the departments of the province</p> <p><u>Staff Structure</u></p> <p>The draft report on the review of the departmental organizational structure to fulfil its mandate in infrastructure development and property management has been finalized and forwarded to authorities with a request to consult with the Office of the</p> |

| SCOPA RESOLUTION | SUBJECT | PROGRESS |
|-------------------------------|--|---|
| | | <p>Premier, Department of Public Service and Administration as well as Organised Labour in terms of DPSA's directive and the Provincial Policy on organizational design.</p> <p><u>Policy Matters</u></p> <p>Whilst the department of Public Works has the responsibility of managing the immovable assets as delegated by the Premier, the user Department's are expected to furnish the Department of Public Works with detailed information on infrastructure expenditure in order to continuously update the Fixed Asset Register and Annual Financial Disclosure which is critical for Financial Statements</p> |
| Resolution 48/2011 | Significant uncertainties: outstanding lawsuits | The schedule stating the current status of the lawsuits as mentioned in the Auditor General report was forwarded to SCOPA |

16. Exemptions and deviations received from the National Treasury

No exemptions were granted from National Treasury.

17. Approval

The Annual Financial Statements as set out on the attached pages have been approved by the Accounting Officer.



Mr A Govender

Head : Department of Public Works

3.3 Report of the Auditor-General

REPORT OF THE AUDITOR-GENERAL TO THE KWAZULU-NATAL PROVINCIAL LEGISLATURE ON VOTE NO. 14: DEPARTMENT OF PUBLIC WORKS REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the financial statements of the Department of Public Works set out on pages ... to ..., which comprise the appropriation statement, the statement of financial position as at 31 March 2012, the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting Officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation of these financial statements in accordance with the *Departmental financial reporting framework* prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and Division of Revenue Act of South Africa, 2011 (Act No. 6 of 2011) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-General's responsibility

3. My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the *General Notice* issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the department's preparation of the financial statements in order to design audit procedures that are

appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Public Works as at 31 March 2012, and its financial performance and cash flows for the year then ended in accordance with the *Departmental financial reporting framework* prescribed by the National Treasury and the requirements of the PFMA and DoRA.

Emphasis of matters

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

Significant uncertainties

8. As disclosed in note 16 to the financial statements, the department is the defendant in 22 lawsuits to the estimated value of R15,835 million. The ultimate outcome of the matters cannot presently be determined, and thus a contingent liability that may result has been disclosed in the financial statements.

Restatement of corresponding figures

9. As disclosed in notes 27 and 45 to the financial statements, the corresponding figure for 31 March 2011 have been restated as a result of prior year errors discovered during 2011-12 financial year in the financial statements of the Department of Public Works at, and for the year ended 31 March 2011.

Material losses

10. As disclosed in note 6 to the financial statements, material losses to the amount of R10,380 million were incurred as a result of a write-off of irrecoverable interdepartmental claims, as well as debts written off due to prescription.

Material underspending of the budget /conditional grant

11. As disclosed in note 4 to the appropriation statements the department has underspent its budget by R30,702 million. The underspending partly relates to Programme 2 Real estate R16,248 million and is mainly due to delays with property rates/ invoices and insufficient information from municipalities. Furthermore. under Programme 3, provision of buildings and fix structures was also underspent by R14,467 million due to a commitment on capital expenditure not materialising as originally anticipated.

Irregular expenditure

12. As disclosed in note 22 to the financial statements, irregular expenditure amounting to R2,1 million was incurred in the current financial year as a result of proper procurement processes not being followed and employees acting in higher position in excess of the prescribed period.

Fruitless and wasteful expenditure

13. As disclosed in disclosure note 23 to the financial statements, fruitless and wasteful expenditure of R47,166 million was incurred in the current financial year as a result of interest and penalties on rates payments.

Additional matters

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

Unaudited supplementary schedules

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

Financial reporting framework

16. The financial reporting framework prescribed by the National Treasury and applied by the department is a compliance framework. The wording of my opinion on a compliance framework should reflect that the financial statements have been prepared in accordance with this framework and not that they “present fairly”. Section 20(2)(a) of the PAA, however, requires me to express an opinion on the fair presentation of the financial statements. The wording of my opinion therefore reflects this requirement.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

17. In accordance with the PAA and the *General Notice* issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

Predetermined objectives

18. I performed procedures to obtain evidence about the usefulness and reliability of the information in the annual performance report as set out on pages ... to ... of the annual report.
19. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury annual reporting principles and whether the reported performance is consistent with the planned objectives. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the *National Treasury Framework for managing programme performance information*.

The reliability of the information in respect of the selected programmes is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).

20. There were no material findings on the annual performance report concerning the usefulness and reliability of the information.

Additional matter

21. I draw attention to the following matters below. These matters do not have an impact on the predetermined objectives audit findings reported above.

Achievement of planned targets

22. Of the total number of planned targets, only 53 (48%) targets were achieved during the year under review.

Material adjustments to the annual performance report

23. Adjustments were made to 35% of the 110 targets which were audited during the year, relating to schedules not agreeing with what was actually reported, reported targets not consistent with planned targets, reported projects not having Works Information Management System numbers, planned targets not being reported.

Compliance with laws and regulations

24. I performed procedures to obtain evidence that the department has complied with applicable laws and regulations regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key applicable laws and regulations as set out in the *General Notice* issued in terms of the PAA are as follows:

Annual financial statements

25. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 40(1) of the PFMA. Material misstatements of capital assets and disclosure items identified by the auditors were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

Expenditure management

26. The accounting officer did not take effective and appropriate steps to prevent irregular expenditure, as required by section 38(1)(c)(ii) of the PFMA and Treasury Regulation 9.1.1.
27. The accounting officer did not take effective and appropriate steps against officials responsible for making or permitting irregular and fruitless and wasteful expenditure as required by section 38(1)(h) of the PFMA.

Procurement and contract management

28. Contracts and quotations were awarded to bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, which is prescribed in order to comply with Treasury Regulation 16A8.3.

Internal control

29. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with laws and regulations. The matters reported below under the fundamentals of internal control are limited to the significant deficiencies that resulted in the findings on compliance with laws and regulations included in this report.

Leadership

30. The accounting officer did not adequately exercise oversight responsibility over the compliance with laws and regulations relating to procurement and contract management.

Financial and performance management

31. Systems and controls were not designed in a manner to prevent, detect and address risks that impact on financial, performance and compliance reporting. In this regard, the accounting officer did not ensure that regular, accurate and complete financial and performance reports were prepared, which were supported and evidenced by reliable information. This resulted in material corrections in the financial statements and annual performance report.
32. The financial statements were not adequately reviewed by the management, prior to submission for auditing.

OTHER REPORTS

Investigations

33. Five investigations are in progress and five investigations were completed regarding supply chain management practices.

Performance audit

34. During the year under review, a performance audit was conducted on the Readiness of Government to report on its performance. The focus of the audit is on how government institutions are guided and assisted to report on their performance, as well as the systems and processes that they have put in place. The audit is currently in the reporting phase and the findings will be reported on in a separate report.

Auditor - General

Pietermaritzburg

31 July 2012



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

KWAZULU-NATAL DEPARTMENT OF PUBLIC WORKS

VOTE 14

APPROPRIATION STATEMENT

for the year ended 31 March 2012

3.4 Appropriation Statement

| Appropriation per programme | | | | | | | | | |
|---|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| APPROPRIATION STATEMENT | 2011/12 | | | | | | | 2010/11 | |
| | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| 1. ADMINISTRATION | | | | | | | | | |
| Current payment | 237,148 | - | 3,068 | 240,216 | 240,254 | (36) | 100.0% | 199,277 | 199,353 |
| Transfers and subsidies | 2,560 | - | 741 | 3,301 | 3,301 | - | 100.0% | 2,893 | 2,696 |
| Payment for capital assets | 28,324 | - | 1,372 | 29,696 | 29,673 | 23 | 99.9% | 17,665 | 15,297 |
| Payment for financial assets | - | - | - | - | - | - | - | - | 348 |
| | 268,032 | - | 5,181 | 273,213 | 273,226 | (13) | | 219,835 | 217,694 |
| 2. REAL ESTATE | | | | | | | | | |
| Current payment | 91,616 | - | (4,305) | 87,311 | 87,295 | 16 | 100.0% | 32,979 | 30,769 |
| Transfers and subsidies | 509,327 | - | (147) | 509,180 | 492,948 | 16,232 | 96.8% | 713,802 | 515,871 |
| Payment for capital assets | 336 | - | (113) | 223 | 223 | - | 100.0% | 311 | 318 |
| Payment for financial assets | - | - | - | - | - | - | - | - | - |
| | 601,279 | - | (4,565) | 596,714 | 580,466 | 16,248 | | 747,092 | 546,958 |
| 3. PROVISIONS OF BUILDINGS, STRUCTURES & EQUIPMENT | | | | | | | | | |
| Current payment | 264,291 | - | (1,770) | 262,521 | 270,593 | (8,072) | 103.1% | 283,247 | 271,824 |
| Transfers and subsidies | 1,747 | - | 2,052 | 3,799 | 3,738 | 61 | 98.4% | 1,636 | 2,190 |
| Payment for capital assets | 77,621 | - | (898) | 76,723 | 43,865 | 32,858 | 57.2% | 81,773 | 66,618 |
| Payment for financial assets | - | - | - | - | 10,380 | (10,380) | | - | 8,925 |
| | 343,659 | - | (616) | 343,043 | 328,576 | 14,467 | | 366,656 | 349,557 |

KWAZULU-NATAL DEPARTMENT OF PUBLIC WORKS

VOTE 14

APPROPRIATION STATEMENT

for the year ended 31 March 2012

| | | | | | | | | | |
|--------------------------------|------------------|----------|----------|------------------|------------------|---------------|--------------|------------------|------------------|
| Subtotal | 1,212,970 | - | - | 1,212,970 | 1,182,268 | 30,702 | 97.5% | 1,333,583 | 1,114,209 |
| Statutory Appropriation | | | | | | | | | |
| Current payment | | | | | - | | | | |
| Transfers and subsidies | | | | | - | | | | |
| Payment for capital assets | | | | | - | | | | |
| Payment for financial assets | | | | | - | | | | |
| | | | | | | | | | |
| TOTAL | 1,121,970 | - | - | 1,212,970 | 1,182,268 | 30,702 | 97.5% | 1,333,583 | 1,114,209 |

KWAZULU-NATAL DEPARTMENT OF PUBLIC WORKS

VOTE 14

APPROPRIATION STATEMENT

for the year ended 31 March 2012

| | 2011/12 | | | 2010/11 | |
|--|------------------------|-----------------------|--|------------------------|-----------------------|
| | Final Appropriation | Actual Expenditure | | Final Appropriation | Actual Expenditure |
| TOTAL (brought forward) | 1,212,970 | 1,182,268 | | 1,333,583 | 1,114,209 |
| Reconciliation with statement of financial performance | | | | | |
| ADD | | | | | |
| Departmental receipts | 6,116 | | | 6,607 | |
| Direct Exchequer receipts | - | | | - | |
| Aid assistance | - | | | - | |
| Actual amounts per statement of financial performance (total revenue) | 1,219,086 | | | 1,340,190 | |
| ADD | | | | | |
| Aid assistance | | - | | | |
| Direct Exchequer payments | | | | | |
| Prior year unauthorised expenditure approved without funding | | | | | |
| Actual amounts per statement of financial performance (total expenditure) | | 1,182,268 | | | 1,114,209 |

KWAZULU-NATAL DEPARTMENT OF PUBLIC WORKS

VOTE 14

APPROPRIATION STATEMENT

for the year ended 31 March 2012

| Appropriation per economic classification | | | | | | | | | |
|---|---------------------------|----------------------|----------|------------------------|-----------------------|----------|---|------------------------|-----------------------|
| 2011/12 | | | | | | | | 2010/11 | |
| | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | | | | | | | | | |
| Compensation of employees | 407,922 | - | (9,897) | 398,025 | 398,023 | 2 | 100% | 367,652 | 361,319 |
| Goods and services | 185,133 | - | 6,890 | 192,023 | 200,113 | (8,090) | 104.2% | 146,875 | 140,625 |
| Interest and rent on land | - | - | - | - | 4 | (4) | | - | - |
| Transfers and subsidies | 509,126 | - | - | 509,126 | 492,936 | 16,190 | 96.8% | 713,694 | 515,348 |
| Provinces and municipalities | 590 | - | - | 590 | 375 | 215 | 63.6% | 570 | 368 |
| Departmental agencies and accounts | - | - | - | - | - | - | | - | - |
| Universities and technikons | - | - | - | - | - | - | | - | - |
| Foreign governments and international organisations | - | - | - | - | - | - | | - | - |
| Public corporations and private enterprises | - | - | - | - | - | - | | - | - |
| Non-profit institutions | - | - | - | - | - | - | | - | - |
| Households | 3,918 | - | 2,546 | 6,464 | 6,575 | (111) | 101.7% | 5,043 | 5,043 |
| Gifts and donations | - | - | 100 | 100 | 100 | - | 100.0% | - | - |
| Payments for capital assets | | | | | | | | | |
| Buildings and other fixed structures | 76,421 | - | (514) | 75,907 | 43,050 | 32,857 | 56.6% | 80,335 | 65,916 |
| Machinery and equipment | 28,128 | - | 1,602 | 29,730 | 29,781 | (51) | 100.2% | 19,336 | 16,239 |
| Heritage assets | - | - | - | - | - | - | | - | - |
| Specialised military assets | - | - | - | - | - | - | | - | - |
| Biological assets | - | - | - | - | - | - | | - | - |

KWAZULU-NATAL DEPARTMENT OF PUBLIC WORKS

VOTE 14

APPROPRIATION STATEMENT

for the year ended 31 March 2012

| | | | | | | | | | |
|--------------------------------------|------------------|---|-------|------------------|------------------|---------------|--------------|------------------|------------------|
| Land and subsoil assets | - | - | - | - | - | - | - | - | - |
| Software and other intangible assets | 1,732 | - | (727) | 1,005 | 931 | 74 | 92.6% | 78 | 78 |
| Payments for financial assets | - | - | - | - | 10,380 | (10,380) | | - | 9,273 |
| Total | 1,212,970 | - | - | 1,212,970 | 1,182,268 | 30,702 | 97.5% | 1,333,583 | 1,114,209 |

KWAZULU-NATAL DEPARTMENT OF PUBLIC WORKS

VOTE 14

APPROPRIATION STATEMENT

for the year ended 31 March 2012

| Detail per Programme 1 Administration | | | | | | | | | |
|---------------------------------------|------------------------|-------------------|--------------|---------------------|--------------------|-------------|---|---------------------|--------------------|
| 2011/12 | | | | | | | | 2010/11 | |
| Detail per sub-programme | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| 1.1 Minister's Support | | | | | | | | | |
| Current payment | 9,592 | - | (3,134) | 6,458 | 6,458 | - | 100.0% | 7,520 | 6,111 |
| Transfers and subsidies | - | - | 101 | 101 | 101 | - | 100.0% | - | - |
| Payment for capital assets | - | - | 489 | 489 | 489 | - | 100.0% | 76 | 664 |
| Payment for financial assets | - | - | - | - | - | - | | - | - |
| 1.2 Management | | | | | | | | | |
| Current payment | 227,556 | - | 6,202 | 233,758 | 233,794 | (36) | 100.0% | 191,757 | 193,242 |
| Transfers and subsidies | 2,560 | - | 640 | 3,200 | 3,200 | - | 100.0% | 2,893 | 2,696 |
| Payment for capital assets | 28,324 | - | 883 | 29,207 | 29,184 | 23 | 99.9% | 17,589 | 14,633 |
| Payment for financial assets | - | - | - | - | - | - | | - | 348 |
| Total | 268,032 | - | 5,181 | 273,213 | 273,226 | (13) | 100.0% | 219,835 | 217,694 |

KWAZULU-NATAL DEPARTMENT OF PUBLIC WORKS

VOTE 14

APPROPRIATION STATEMENT

for the year ended 31 March 2012

| Program 1 per Economic Classification | | | | | | | | | |
|---|-------------------------------|--------------------------|-----------------|----------------------------|---------------------------|-----------------|--|----------------------------|---------------------------|
| 2011/12 | | | | | | | | 2010/11 | |
| Program 1 Per Economic classification | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | | | | | | | | | |
| Compensation of employees | 178,039 | | (558) | 177,481 | 177,479 | 2 | 100.0% | 140,325 | 140,325 |
| Goods and services | 59,109 | | 3,626 | 62,735 | 62,773 | (38) | 100.0% | 59,014 | 59,027 |
| Interest and rent on land | | | | - | | - | | - | - |
| Transfers and subsidies | | | | | | | | | |
| Provinces and municipalities | 130 | | | 130 | 169 | (39) | 130.0% | - | - |
| Departmental agencies and accounts | 150 | | | 150 | - | 150 | | 141 | - |
| Universities and technikons | | | | - | | | | - | - |
| Foreign governments and international organisations | | | | - | | | | - | - |
| Public corporations and private enterprises | | | | - | | | | - | - |
| Non-profit institutions | | | | - | | | | - | - |
| Households | 2,280 | | 641 | 2,921 | 3,032 | (111) | 103.8% | 2,697 | 2,697 |
| Gifts and donations | | | 100 | 100 | 100 | - | 100.0% | - | - |
| Payments for capital assets | | | | | | | | | |
| Buildings and other fixed structures | | | | - | | - | | - | - |
| Machinery and equipment | 26,592 | | 2,099 | 28,691 | 28,742 | (51) | 100.2% | 17,580 | 15,219 |
| Heritage assets | | | | - | | - | | - | - |

KWAZULU-NATAL DEPARTMENT OF PUBLIC WORKS

VOTE 14

APPROPRIATION STATEMENT

for the year ended 31 March 2012

| | | | | | | | | | |
|--------------------------------------|----------------|----------|--------------|----------------|----------------|-------------|---------------|----------------|----------------|
| Specialised military assets | | | | - | | - | | - | - |
| Biological assets | | | | - | | - | | - | - |
| Land and subsoil assets | | | | - | | - | | - | - |
| Software and other intangible assets | 1,732 | | (727) | 1,005 | 931 | 74 | 92.6% | 78 | 78 |
| Payments for financial assets | | | | - | | - | | | |
| Total | 268,032 | - | 5,181 | 273,213 | 273,226 | (13) | 100.0% | 219,835 | 217,694 |

KWAZULU-NATAL DEPARTMENT OF PUBLIC WORKS

VOTE 14

APPROPRIATION STATEMENT

for the year ended 31 March 2012

| Detail per Programme 2 Real Estate | | | | | | | | | |
|--|------------------------|-------------------|----------------|---------------------|--------------------|---------------|---|---------------------|--------------------|
| 2011/12 | | | | | | | | 2010/11 | |
| Detail per sub-programme | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| 2.1 Personnel and Admin Related | | | | | | | | | |
| Current payment | 88,551 | - | (4,086) | 84,465 | 84,465 | - | 100.0% | 29,881 | 27,705 |
| Transfers and subsidies | 509,327 | - | (147) | 509,180 | 492,948 | 16,232 | 96.8% | 713,802 | 515,871 |
| Payment for capital assets | 336 | - | (113) | 223 | 223 | - | 100.0% | 311 | 318 |
| Payment for financial assets | - | - | - | - | - | - | | - | - |
| 2.2 Hiring | | | | | | | | | |
| Current payment | 2,924 | - | (219) | 2,705 | 2,705 | - | 100.0% | 2,925 | 2,925 |
| Transfers and subsidies | - | - | - | - | - | - | | - | - |
| Payment for capital assets | - | - | - | - | - | - | | - | - |
| Payment for financial assets | - | - | - | - | - | - | | - | - |
| 2.3 Acquisition of Land, Control and Disposal | | | | | | | | | |
| Current payment | 141 | - | - | 141 | 125 | 16 | 88.7% | 173 | 139 |
| Transfers and subsidies | - | - | - | - | - | - | | - | - |
| Payment for capital assets | - | - | - | - | - | - | | - | - |
| Payment for financial assets | - | - | - | - | - | - | | - | - |
| Total | 601,279 | - | (4,565) | 596,714 | 580,466 | 16,248 | 97.3% | 747,092 | 546,958 |

KWAZULU-NATAL DEPARTMENT OF PUBLIC WORKS

VOTE 14

APPROPRIATION STATEMENT

for the year ended 31 March 2012

| Program 2 per economic classification | | | | | | | | | |
|---|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| 2011/12 | | | | | | | | 2010/11 | |
| Program 2 Per Economic classification | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | | | | | | | | | |
| Compensation of employees | 28,217 | - | 926 | 29,143 | 29,143 | - | 100.0% | 24,223 | 22,440 |
| Goods and services | 63,399 | - | (5,231) | 58,168 | 58,148 | 20 | 100.0% | 8,328 | 8,328 |
| Interest and rent on land | - | - | - | - | 4 | (4) | | - | - |
| Transfers and subsidies | | | | | | | | | |
| Provinces and municipalities | 508,994 | - | - | 508,994 | 492,767 | 16,227 | 96.8% | 713,694 | 515,348 |
| Departmental agencies and accounts | 5 | - | - | 5 | - | 5 | | 5 | - |
| Universities and technikons | - | - | - | - | - | - | | - | - |
| Foreign governments and international organisations | - | - | - | - | - | - | | - | - |
| Public corporations and private enterprises | - | - | - | - | - | - | | - | - |
| Non-profit institutions | - | - | - | - | - | - | | - | - |
| Households | 328 | - | (147) | 181 | 181 | 181 | 100.0% | 524 | 524 |
| Gifts and donations | - | - | - | - | - | - | | - | - |
| Payments for capital assets | | | | | | | | | |
| Buildings and other fixed structures | - | - | - | - | - | - | | - | - |
| Machinery and equipment | 336 | - | (113) | 223 | 223 | - | 100.0% | 318 | 318 |
| Heritage assets | - | - | - | - | - | - | | - | - |

KWAZULU-NATAL DEPARTMENT OF PUBLIC WORKS

VOTE 14

APPROPRIATION STATEMENT

for the year ended 31 March 2012

| | | | | | | | | | |
|--------------------------------------|----------------|----------|----------------|----------------|----------------|---------------|--------------|----------------|----------------|
| Specialised military assets | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Land and subsoil assets | - | - | - | - | - | - | - | - | - |
| Software and other intangible assets | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | - | - | - | - | - |
| Total | 601,279 | - | (4,565) | 596,714 | 580,466 | 16,248 | 97.3% | 747,092 | 546,958 |

KWAZULU-NATAL DEPARTMENT OF PUBLIC WORKS

VOTE 14

APPROPRIATION STATEMENT

for the year ended 31 March 2012

| Detail per Programme 3 Provision of Buildings Structures and Equipment | | | | | | | | | |
|--|------------------------|-------------------|--------------|---------------------|--------------------|---------------|---|---------------------|--------------------|
| 2011/12 | | | | | | | | 2010/11 | |
| Detail per sub-programme | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| 3.1 Personnel and Admin Related | | | | | | | | | |
| Current payment | 257,230 | | (3,121) | 254,109 | 262,051 | (7,942) | 103.1% | 276,057 | 263,762 |
| Transfers and subsidies | 1,747 | | 2,052 | 3,799 | 3,738 | 61 | 98.4% | 1,636 | 2,190 |
| Payment for capital assets | 1,028 | | (248) | 780 | 779 | 1 | 99.9% | 1,213 | 702 |
| Payment for financial assets | - | | - | - | 10,380 | (10,380) | | - | 8,925 |
| 3.2 Buildings and Structures | | | | | | | | | |
| Current payment | 7,061 | | 1,351 | 8,412 | 8,542 | (130) | 101.5% | 7,190 | 8,062 |
| Transfers and subsidies | - | | - | - | - | - | | - | - |
| Payment for capital assets | 76,593 | | (650) | 75,943 | 43,086 | 32,857 | 56.7% | 80,560 | 65,916 |
| Payment for financial assets | - | | - | - | - | - | | - | - |
| Total | 343,659 | - | (161) | 343,043 | 328,576 | 14,467 | 95.8% | 366,656 | 349,577 |

KWAZULU-NATAL DEPARTMENT OF PUBLIC WORKS

VOTE 14

APPROPRIATION STATEMENT

for the year ended 31 March 2012

| Program 3 per economic classification | | | | | | | | | |
|---|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| 2011/12 | | | | | | | | 2010/11 | |
| Program 3 Per Economic classification | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | | | | | | | | | |
| Compensation of employees | 201,666 | - | (10,265) | 191,401 | 191,401 | - | 100.0% | 203,104 | 198,544 |
| Goods and services | 62,625 | - | 8,495 | 71,120 | 79,192 | (8,072) | 111.3% | 79,533 | 73,270 |
| Interest and rent on land | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies | | | | | | | | | |
| Provinces and municipalities | 2 | - | - | 2 | - | 2 | - | - | - |
| Departmental agencies and accounts | 435 | - | - | 435 | 375 | 60 | 86.2% | 424 | 368 |
| Universities and technikons | - | - | - | - | - | - | - | - | - |
| Foreign governments and international organisations | - | - | - | - | - | - | - | - | - |
| Public corporations and private enterprises | - | - | - | - | - | - | - | - | - |
| Non-profit institutions | - | - | - | - | - | - | - | - | - |
| Households | 1,310 | - | 2,052 | 181 | 3,362 | 3,362 | 100.0% | 1,822 | 1,822 |
| Gifts and donations | - | - | - | - | - | - | - | - | - |
| Payments for capital assets | | | | | | | | | |
| Buildings and other fixed structures | 76,421 | - | (514) | 75,907 | 43,050 | 32,857 | 56.7% | 80,335 | 65,916 |
| Machinery and equipment | 1,200 | - | (384) | 816 | 816 | - | 100.0% | 1,438 | 702 |
| Heritage assets | - | - | - | - | - | - | - | - | - |

KWAZULU-NATAL DEPARTMENT OF PUBLIC WORKS

VOTE 14

APPROPRIATION STATEMENT

for the year ended 31 March 2012

| | | | | | | | | | |
|--------------------------------------|----------------|---|--------------|----------------|----------------|---------------|--------------|----------------|----------------|
| Specialised military assets | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - |
| Land and subsoil assets | - | - | - | - | - | - | - | - | - |
| Software and other intangible assets | - | - | - | - | - | - | - | - | - |
| Payments for financial assets | - | - | - | - | 10,380 | (10,380) | - | - | 8,925 |
| Total | 343,659 | - | (616) | 343,043 | 328,576 | 14,467 | 95.8% | 366,656 | 349,557 |

KWAZULU-NATAL DEPARTMENT OF PUBLIC WORKS

VOTE 14

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2012

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

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

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

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

3. Detail on payments for financial assets

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

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

| 4.1 Per Programme | Final Appropriation | Actual Expenditure | Variance R'000 | Variance as a % of Final Appropriation |
|--------------------------|----------------------------|---------------------------|-----------------------|---|
| Administration | 273,213 | 273,226 | (13) | 0.0% |

Within Budget

| Per Programme | Final Appropriation | Actual Expenditure | Variance R'000 | Variance as a % of Final Appropriation |
|----------------------|----------------------------|---------------------------|-----------------------|---|
| Real Estate | 596,714 | 580,466 | 16,248 | 2.7% |

Under spending mainly due to delays with property rate invoices and insufficient information from Municipalities.

| Per Programme | Final Appropriation | Actual Expenditure | Variance R'000 | Variance as a % of Final Appropriation |
|---------------------------------------|----------------------------|---------------------------|-----------------------|---|
| Provision of Buildings and Structures | 343,034 | 328,576 | 14,467 | 4.2% |

Under spending due to commitments on capital structures not materialising as originally anticipated. Funds amounting to R14,185 million have been requested to be rolled over to the 2012/13 financial year for the Ixopo Office, Southern Regional Office and Public Works Head Office Building contracts.

KWAZULU-NATAL DEPARTMENT OF PUBLIC WORKS

VOTE 14

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2012

| 4.2 Per Economic classification | Final Appropriation | Actual Expenditure | Variance | Variance as a % of Final Appropriation |
|---|----------------------------|---------------------------|-----------------|---|
| | R'000 | R'000 | R'000 | R'000 |
| Current payments | | | | |
| Compensation of employees | 398,025 | 398,023 | 2 | 0.0% |
| Goods and services | 192,023 | 200,113 | (8,090) | (4.2%) |
| Interest and rent on land | - | 4 | (4) | 0.0% |
| Unauthorised expenditure approved | - | - | - | - |
| Transfers and subsidies | | | | |
| Provinces and municipalities | 509,126 | 492,936 | 16,190 | 3.2% |
| Departmental agencies and accounts | 590 | 375 | 215 | 36.4% |
| Universities and technikons | - | - | - | - |
| Public corporations and private enterprises | - | - | - | - |
| Foreign governments and international organisations | - | - | - | - |
| Non-profit institutions | - | - | - | - |
| Households | 6,464 | 6,575 | (111) | (1.7%) |
| Gifts and donations | 100 | 100 | - | 0.0% |
| Payments for capital assets | | | | |
| Buildings and other fixed structures | 75,907 | 43,050 | 32,857 | 43.3% |
| Machinery and equipment | 29,730 | 29,781 | (51) | (0.2%) |
| Heritage assets | - | - | - | - |
| Specialised military assets | - | - | - | - |
| Biological assets | - | - | - | - |
| Land and subsoil assets | - | - | - | - |
| Software and other intangible assets | 1,005 | 931 | 74 | 7.4% |
| Payments for financial assets | - | 10,380 | - | 0.0% |

KWAZULU-NATAL DEPARTMENT OF PUBLIC WORKS

VOTE 14

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2012

Goods & Services: Over expenditure mainly due to project managers in the North Coast Region
Interest and Rent on Land: this was for interest due to late payment of invoices.
Provinces and Municipalities: under expenditure due to delays in receipt of invoices from
Municipalities

Departmental Agencies and accounts: saving due to workman's compensation whereby claims did
not

materialise as anticipated. This category is difficult to forecast.

Households: over expenditure as a result of unanticipated staff exits

Buildings and other fixed structures: under expenditure/saving due to delays with capital infrastructure
projects, roll over has been requested for these commitments, The department also wrote off debts
totaling R10,320 million against this category.

Software and Other intangible assets: under expenditure due to less being spent than anticipated.

Payment of financial assets: Irrecoverable debts that were written off against capital spending and
mainly compose of interdepartmental claims debts.

KWAZULU-NATAL DEPARTMENT OF PUBLIC WORKS

VOTE 14

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2012

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|---|-------------|--------------------------|--------------------------|
| REVENUE | | | |
| Annual appropriation | 1 | 1,212,970 | 1,333,583 |
| Statutory appropriation | | - | - |
| Departmental revenue | 2 | 6,116 | 6,607 |
| Direct Exchequer Receipts | | - | - |
| NRF Receipts | | - | - |
| Aid assistance | | - | - |
| TOTAL REVENUE | | 1,219,086 | 1,340,190 |
| EXPENDITURE | | | |
| Current expenditure | | | |
| Compensation of employees | 3 | 398,023 | 361,319 |
| Goods and services | 4 | 200,494 | 140,625 |
| Interest and rent on land | 5 | 4 | - |
| Aid assistance | | - | - |
| Unauthorised expenditure approved without funding | | - | - |
| Total current expenditure | | 598,521 | 501,944 |
| Transfers and subsidies | | | |
| Transfers and subsidies | 7 | 499,986 | 520,759 |
| Aid assistance | | - | - |
| Unauthorised expenditure approved without funding | | - | - |
| Total transfers and subsidies | | 499,986 | 520,759 |
| Expenditure for capital assets | | | |
| Tangible capital assets | 8 | 72,450 | 82,155 |
| Software and other intangible assets | 8 | 931 | 78 |
| Unauthorised expenditure approved without funding | | - | - |
| Total expenditure for capital assets | | 73,381 | 82,233 |
| Payments for financial assets | 6 | 10,380 | 9,273 |
| Direct Exchequer Payments | | - | - |
| TOTAL EXPENDITURE | | 1,182,268 | 1,114,209 |
| SURPLUS/(DEFICIT) FOR THE YEAR | | 36,818 | 225,981 |

KWAZULU-NATAL DEPARTMENT OF PUBLIC WORKS

VOTE 14

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2012

| | | |
|---|---------------|----------------|
| Reconciliation of Net Surplus/(Deficit) for the year | | |
| Voted funds | 30,702 | 219,374 |
| Annual appropriation | 14,302 | 15,695 |
| Conditional grants | 16,400 | 203,679 |
| Unconditional grants | - | - |
| Departmental revenue and NRF Receipts | 13 6,116 | 6,607 |
| Direct Exchequer receipts/payments | - | - |
| Aid assistance | - | - |
| SURPLUS/(DEFICIT) FOR THE YEAR | 36,818 | 225,981 |

KWAZULU-NATAL DEPARTMENT OF PUBLIC WORKS

VOTE 14

STATEMENT OF FINANCIAL POSITION

as at 31 March 2012

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|---|-------------|--------------------------|--------------------------|
| ASSETS | | | |
| Current assets | | 315,579 | 170,936 |
| Unauthorised expenditure | | - | - |
| Fruitless and wasteful expenditure | | - | - |
| Cash and cash equivalents | 10 | 41 | 41,763 |
| Other financial assets | | - | - |
| Prepayments and advances | | - | - |
| Receivables | 11 | 315,538 | 129,173 |
| Loans | | - | - |
| Aid assistance prepayments | | - | - |
| Aid assistance receivable | | - | - |
| Non-current assets | | | |
| Investments | | - | - |
| Loans | | - | - |
| Other financial assets | | - | - |
| TOTAL ASSETS | | 315,579 | 170,936 |
| LIABILITIES | | | |
| Current liabilities | | 314,155 | 170,242 |
| Voted funds to be surrendered to the Revenue Fund | 12 | 30,702 | 166,577 |
| Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund | 13 | 252 | 1,439 |
| Direct Exchequer Receipts to be surrendered to the Revenue Fund | | - | - |
| Bank overdraft | 14 | 280,059 | - |
| Payables | 15 | 3,142 | 2,226 |
| Aid assistance repayable | | - | - |
| Aid assistance unutilised | | - | - |
| Non-current liabilities | | | |
| Payables | | - | - |
| TOTAL LIABILITIES | | 314,155 | 170,242 |
| NET ASSETS | | 1,424 | 694 |

KWAZULU-NATAL DEPARTMENT OF PUBLIC WORKS

VOTE 14

STATEMENT OF FINANCIAL POSITION

as at 31 March 2012

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|------------------------|-------------|--------------------------|--------------------------|
| Represented by: | | | |
| Capitalisation reserve | | - | - |
| Recoverable revenue | | 1,424 | 694 |
| Retained funds | | - | - |
| Revaluation reserves | | - | - |
| TOTAL | | 1,424 | 694 |

KWAZULU-NATAL DEPARTMENT OF PUBLIC WORKS

VOTE 14

STATEMENT OF CHANGES IN NET ASSETS

for the year ended 31 March 2012

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|--|-------------|--------------------------|--------------------------|
| Capitalisation Reserves | | | |
| Opening balance | | - | - |
| Transfers: | | - | - |
| Movement in Equity | | - | - |
| Movement in Operational Funds | | - | - |
| Other movements | | - | - |
| Closing balance | | <u>-</u> | <u>-</u> |
| Recoverable revenue | | | |
| Opening balance | | 694 | 999 |
| Transfers: | | 730 | (305) |
| Irrecoverable amounts written off | | (336) | (157) |
| Debts revised | | (50) | (135) |
| Debts recovered (included in departmental receipts) | | (52) | (792) |
| Debts raised | | 1,168 | 779 |
| Closing balance | | <u>1,424</u> | <u>694</u> |
| Retained funds | | | |
| Opening balance | | - | - |
| Transfer from voted funds to be surrendered (Parliament/Legislatures ONLY) | | - | - |
| Utilised during the year | | - | - |
| Other | | - | - |
| Closing balance | | <u>-</u> | <u>-</u> |
| Revaluation Reserve | | | |
| Opening balance | | - | - |
| Revaluation adjustment (Housing departments) | | - | - |
| Transfers | | - | - |
| Other | | - | - |
| Closing balance | | <u>-</u> | <u>-</u> |
| TOTAL | | <u>1,424</u> | <u>694</u> |

KWAZULU-NATAL DEPARTMENT OF PUBLIC WORKS

VOTE 14

CASH FLOW STATEMENT

for the year ended 31 March 2012

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|--|-------------|--------------------------|--------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | 1,219,086 | 1,287,394 |
| Annual appropriated funds received | 1.1 | 1,212,970 | 1,280,787 |
| Statutory appropriated funds received | | - | - |
| Departmental revenue received | 2 | 6,116 | 6,607 |
| Direct Exchequer Receipts | | - | - |
| NRF Receipts | | - | - |
| Aid assistance received | | - | - |
| Net (increase)/decrease in working capital | | (185,449) | 252,841 |
| Surrendered to Revenue Fund | | (173,880) | (8,466) |
| Surrendered to RDP Fund/Donor | | - | - |
| Current payments | | (598,521) | (501,944) |
| Payments for financial assets | | (10,380) | (9,273) |
| Transfers and subsidies paid | | (499,986) | (520,759) |
| Net cash flow available from operating activities | 16 | (249,130) | 499,793 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payments for capital assets | 8 | (73,381) | (82,233) |
| Proceeds from sale of capital assets | | - | - |
| (Increase)/decrease in loans | | - | - |
| (Increase)/decrease in investments | | - | - |
| (Increase)/decrease in other financial assets | | - | - |
| Net cash flows from investing activities | | (73,381) | (82,233) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Distribution/dividend received | | | |
| Increase/(decrease) in net assets | | 730 | (305) |
| Increase/(decrease) in non-current payables | | - | - |
| Net cash flows from financing activities | | 730 | (305) |
| Net increase/(decrease) in cash and cash equivalents | | (321,781) | 417,255 |
| Cash and cash equivalents at beginning of period | | 41,763 | (375,492) |
| Cash and cash equivalents at end of period | 17 | (280,018) | 41,763 |

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The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 1 of 2010.

1. Presentation of the Financial Statements

1.1 Basis of preparation

The Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid.

1.2 Presentation currency

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

1.3 Rounding

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

1.4 Comparative figures

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

1.5 Comparative figures - Appropriation Statement

A comparison between actual amounts and final appropriation per major classification of expenditure is included in the Appropriation Statement.

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2. Revenue

2.1 Appropriated funds

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

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

Unexpended appropriated funds are surrendered to the National/Provincial Revenue Fund. Any amounts owing to the National/Provincial Revenue Fund at the end of the financial year are recognised as payable in the statement of financial position.

Any amount due from the National/Provincial Revenue Fund at the end of the financial year is recognised as a receivable in the statement of financial position.

2.2 Departmental revenue

All departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the National/Provincial Revenue Fund, unless stated otherwise.

Any amount owing to the National/Provincial Revenue Fund at the end of the financial year is recognised as a payable in the statement of financial position.

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

2.3 Direct Exchequer receipts

All direct exchequer receipts are recognised in the statement of financial performance when the cash is received and is subsequently paid into the National/Provincial Revenue Fund, unless stated otherwise.

Any amount owing to the National/Provincial Revenue Funds at the end of the financial year is recognised as a payable in the statement of financial position.

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2.4 Direct Exchequer payments

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

2.5 Aid assistance

Aids assistance is recognised as revenue when received

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

The cash payments made during the year relating to aid assistance projects are recognised as expenditure in the statement of financial performance when final authorisation for payments is effected on the system (by no later than 31 March of each year)

The value of the assistance expensed prior to the receipt of funds is recognised as a receivable in the statement of financial position.

Inappropriately expensed amounts using aid assistance and any unutilised amounts are recognised as payables in the statement of financial position.

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

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

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3. Expenditure

3.1 Compensation of employees

3.1.1 Salaries and wages

Salaries and wages are expensed in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Other employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements at its face value and are not recognised in the statement of financial performance or position.

Employee costs are capitalised to the cost of a capital project when an employee spends more than 50% of his/her time on the project. These payments form part of expenditure for capital assets in the statement of financial performance.

3.1.2 Social contributions

Employer contributions to post employment benefit plans in respect of current employees are expensed in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

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

Employer contributions made by the department for certain of its ex-employees (such as medical benefits) are classified as transfers to households in the statement of financial performance.

3.2 Goods and services

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

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

Rental paid for the use of buildings or other fixed structures is classified as *goods and services* and not as *rent on land*.

3.3 Interest and rent on land

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

3.4 Payments for financial assets

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

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

3.5 Transfers and subsidies

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

3.6 Unauthorised expenditure

When confirmed unauthorised expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is either approved by the relevant authority, recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

Unauthorised expenditure approved with funding is derecognised from the statement of financial position when the unauthorised expenditure is approved and the related funds are received.

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Where the amount is approved without funding it is recognised as expenditure in the statement of financial performance on the date of approval.

3.7 Fruitless and wasteful expenditure

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

3.8 Irregular expenditure

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

4. Assets

4.1 Cash and cash equivalents

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

Bank overdrafts are shown separately on the face of the statement of financial position.

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

4.2 Other financial assets

Other financial assets are carried in the statement of financial position at cost.

4.3 Prepayments and advances

Amounts prepaid or advanced are recognised in the statement of financial position when the payments are made and are derecognised as and when the goods/services are received or the funds are utilised.

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Prepayments and advances outstanding at the end of the year are carried in the statement of financial position at cost.

4.4 Receivables

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party (including departmental employees) and are derecognised upon recovery or write-off.

Receivables outstanding at year-end are carried in the statement of financial position at cost plus any accrued interest. Amounts that are potentially irrecoverable are included in the disclosure notes.

4.5 Investments

Capitalised investments are shown at cost in the statement of financial position.

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

4.6 Loans

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

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

4.7 Inventory

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

All inventory items at year-end are reflected using the weighted average cost or FIFO cost formula.

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4.8 Capital assets

4.8.1 Movable assets

Initial recognition

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

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

Subsequent recognition

Subsequent expenditure of a capital nature is recorded in the statement of financial performance as "expenditure for capital assets" and is capitalised in the asset register of the department on completion of the project.

Repairs and maintenance is expensed as current "goods and services" in the statement of financial performance.

4.8.1 Immovable assets

Initial recognition

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

Subsequent recognition

Work-in-progress of a capital nature is recorded in the statement of financial performance as "expenditure for capital assets". On completion, the total cost of the project is included in the asset register of the department that is accountable for the asset.

Repairs and maintenance is expensed as current "goods and services" in the statement of financial performance.

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4.8.1 Intangible assets

Initial recognition

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

All intangible assets acquired prior to 1 April 2002 can be included in the asset register at R1.*

Subsequent expenditure

Subsequent expenditure of a capital nature is recorded in the statement of financial performance as "expenditure for capital asset" and is capitalised in the asset register of the department.

Maintenance is expensed as current "goods and services" in the statement of financial performance.

5. Liabilities

5.1 Payables

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are carried at cost in the statement of financial position.

5.2 Contingent liabilities

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

5.3 Contingent assets

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

5.4 Commitments

Commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

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5.5 Accruals

Accruals are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

5.6 Employee benefits

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

5.7 Lease commitments

Finance lease

Finance leases are not recognised as assets and liabilities in the statement of financial position. Finance lease payments are recognised as an expense in the statement of financial performance and are apportioned between the capital and interest portions. The finance lease liability is disclosed in the disclosure notes to the financial statements.

Operating lease

Operating lease payments are recognised as an expense in the statement of financial performance. The operating lease commitments are disclosed in the disclosure notes to the financial statement.

5.8 Impairment

The department tests for impairment where there is an indication that a receivable, loan or investment may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. An estimate is made for doubtful loans and receivables based on a review of all outstanding amounts at year-end. Impairments on investments are calculated as being the difference between the carrying amount and the present value of the expected future cash flows / service potential flowing from the instrument.

5.9 Provisions

Provisions are disclosed when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made.

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6. Receivables for departmental revenue

Receivables for departmental revenue are disclosed in the disclosure notes to the annual financial statements.

7. Net Assets

7.1 Capitalisation reserve

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

7.2 Recoverable revenue

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

8. Related party transactions

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

9. Key management personnel

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

10. Public private partnerships

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

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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1. Annual Appropriation

1.1 Annual Appropriation

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

| | 2011/12 | | | 2010/11 |
|--|--------------------------------|----------------------------------|--|-----------------------------------|
| | Final Appropriation | Actual Funds Received | Funds not requested/ not received | Appropriation received |
| | R'000 | R'000 | R'000 | R'000 |
| Administration | 273,213 | 273,213 | - | 219,323 |
| Real Estate | 596,714 | 596,714 | - | 746,915 |
| Provision of Buildings Structures and Equipment | 343,043 | 343,043 | - | 314,549 |
| | | | | |
| Total | 1,212,970 | 1,212,970 | - | 1,280,787 |

1.2 Conditional grants

Note

| | | 2011/12 R'000 | 2010/11 R'000 |
|---|----|-----------------------------|-----------------------------|
| Total grants received | 31 | <u>507,841</u> | <u>711,235</u> |
| | | - | - |
| Provincial grants included in Total Grants received | | <u> </u> | <u> </u> |

2. Departmental revenue

Note

| | | 2011/12 R'000 | 2010/11 R'000 |
|---|-----|--------------------------|--------------------------|
| Tax revenue | | | |
| Sales of goods and services other than capital assets | 2.1 | 4,717 | 3,432 |
| Fines, penalties and forfeits | | - | - |
| Interest, dividends and rent on land | 2.2 | 198 | 421 |
| Sales of capital assets | | - | - |
| Transactions in financial assets and liabilities | 2.3 | 1,201 | 2,754 |
| Transfer received | | - | - |

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| | | |
|---|--------------|--------------|
| Total revenue collected | 6,116 | 6,607 |
| Less: Own revenue included in appropriation | - | - |
| Departmental revenue collected | 6,116 | 6,607 |

2.1 Sales of goods and services other than capital assets

| | <i>Note</i> 2 | 2011/12 R'000 | 2010/11 R'000 |
|--|------------------|--------------------------|--------------------------|
| Sales of goods and services produced by the department | | 4,711 | 3,428 |
| Sales by market establishment | | 4,257 | 3,012 |
| Administrative fees | | - | - |
| Other sales | | 454 | 416 |
| Sales of scrap, waste and other used current goods | | 6 | 4 |
| Total | | 4,717 | 3,432 |

2.2 Interest, dividends and rent on land

| | <i>Note</i> 2 | 2011/12 R'000 | 2010/11 R'000 |
|--------------|------------------|--------------------------|--------------------------|
| Interest | | 44 | 252 |
| Dividends | | - | - |
| Rent on land | | 154 | 169 |
| Total | | 198 | 421 |

2.3 Transactions in financial assets and liabilities

| | <i>Note</i> 2 | 2011/12 R'000 | 2010/11 R'000 |
|--|------------------|--------------------------|--------------------------|
| Loans and advances | | | |
| Receivables | | 389 | 925 |
| Forex gain | | - | - |
| Stale cheques written back | | 232 | 182 |
| Other Receipts including Recoverable Revenue | | 580 | 1,647 |
| Total | | 1,201 | 2,754 |

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3. Compensation of employees

3.1 Salaries and Wages

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|----------------------------------|-------------|--------------------------|--------------------------|
| Basic salary | | 277,488 | 248,984 |
| Performance award | | 159 | 1,990 |
| Service Based | | 847 | 1,085 |
| Compensative/circumstantial | | 1,926 | 2,386 |
| Periodic payments | | 895 | 145 |
| Other non-pensionable allowances | | 54,352 | 50,295 |
| Total | | 335,667 | 304,885 |

3.2 Social contributions

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|----------------------------------|-------------|--------------------------|--------------------------|
| Employer contributions | | | |
| Pension | | 34,630 | 31,238 |
| Medical | | 27,615 | 25,083 |
| UIF | | 1 | - |
| Bargaining council | | 110 | 113 |
| Official unions and associations | | - | - |
| Insurance | | - | - |
| Total | | 62,356 | 56,434 |

| | | | |
|--|--|----------------|----------------|
| Total compensation of employees | | 398,023 | 361,319 |
| Average number of employees | | 2,078 | 2,096 |

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4. Goods and services

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|---|-------------|--------------------------|--------------------------|
| Administrative fees | | 23 | - |
| Advertising | | 6,194 | 3,768 |
| Assets less than R5,000 | 4.1 | 571 | 697 |
| Bursaries (employees) | | 497 | 291 |
| Catering | | 506 | 368 |
| Communication | | 7,355 | 8,656 |
| Computer services | 4.2 | 15,219 | 14,601 |
| Consultants, contractors and agency/outsourced services | 4.3 | 73,152 | 23,351 |
| Entertainment | | 241 | 202 |
| Audit cost – external | 4.4 | 2,029 | 4,504 |
| Fleet services | | 8,277 | 6,827 |
| Inventory | 4.5 | 5,740 | 6,137 |
| Operating leases | | 8,592 | 8,445 |
| Property payments | 4.6 | 45,889 | 46,549 |
| Transport provided as part of the departmental activities | | 83 | 33 |
| Travel and subsistence | 4.7 | 16,827 | 12,309 |
| Venues and facilities | | 542 | 441 |
| Training and staff development | | 4,900 | 2,068 |
| Other operating expenditure | 4.8 | 3,857 | 1,378 |
| Total | | 200,494 | 140,625 |

4.1 Assets less than R5,000

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|--------------------------------------|-------------|--------------------------|--------------------------|
| Tangible assets | 4 | 571 | 697 |
| Buildings and other fixed structures | | - | - |
| Biological assets | | - | - |
| Heritage assets | | - | - |
| Machinery and equipment | | 571 | 697 |
| Transport assets | | - | - |
| Specialised military assets | | - | - |
| Intangible assets | | - | - |
| Total | | 571 | 697 |

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4.2 Computer services

| | <i>Note</i> 4 | 2011/12 R'000 | 2010/11 R'000 |
|-------------------------------------|------------------|--------------------------------|--------------------------------|
| SITA computer services | | 10,031 | 10,478 |
| External computer service providers | | 5,188 | 4,123 |
| Total | | 15,219 | 14,601 |

4.3 Consultants, contractors and agency/outsourced services

| | <i>Note</i> 4 | 2011/12 R'000 | 2010/11 R'000 |
|--|------------------|--------------------------------|--------------------------------|
| Business and advisory services | | 585 | 185 |
| Infrastructure and planning | | 1,741 | 116 |
| Laboratory services | | | |
| Legal costs | | 221 | 1,144 |
| Contractors | | 1,483 | 418 |
| Agency and support/outsourced services | | 69,122 | 21,488 |
| Total | | 73,152 | 23,351 |

4.4 Audit cost – External

| | <i>Note</i> 4 | 2011/12 R'000 | 2010/11 R'000 |
|----------------------|------------------|--------------------------------|--------------------------------|
| Regularity audits | | 2,029 | 4,504 |
| Performance audits | | - | - |
| Investigations | | - | - |
| Environmental audits | | - | - |
| Computer audits | | - | - |
| Total | | 2,029 | 4,504 |

4.5 Inventory

| | <i>Note</i> 4 | 2011/12 R'000 | 2010/11 R'000 |
|--|------------------|--------------------------------|--------------------------------|
| Learning and teaching support material | | 82 | 20 |
| Fuel, oil and gas | | 114 | 36 |
| Other consumable materials | | 2,329 | 1,940 |
| Materials and supplies | | 209 | 252 |
| Stationery and printing | | 2,990 | 3,882 |
| Medical supplies | | 9 | 7 |
| Total | | 5,740 | 6,137 |

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4.6 Property payments

| | <i>Note</i> | 2011/12 | 2010/11 |
|----------------------------------|-------------|----------------|----------------|
| | | R'000 | R'000 |
| Municipal services | 4 | 15,506 | 17,364 |
| Property maintenance and repairs | | 7,209 | 8,334 |
| Other | | 23,174 | 20,851 |
| Total | | 45,889 | 46,549 |

4.7 Travel and subsistence

| | <i>Note</i> | 2011/12 | 2010/11 |
|--------------|-------------|----------------|----------------|
| | | | |
| Local | 4 | 16,777 | 12,304 |
| Foreign | | 50 | 5 |
| Total | | 16,827 | 12,309 |

4.8 Other operating expenditure

| | <i>Note</i> | 2011/12 | 2010/11 |
|---|-------------|----------------|----------------|
| | | R'000 | R'000 |
| Professional bodies, membership and subscription fees | 4 | 25 | 19 |
| Resettlement costs | | 2,553 | 892 |
| Other | | 1,279 | 467 |
| Total | | 3,857 | 1,378 |

5. Interest and rent on land

| | <i>Note</i> | 2011/12 | 2010/11 |
|---------------|-------------|----------------|----------------|
| | | R'000 | R'000 |
| Interest paid | | 4 | - |
| Total | | 4 | - |

6. Payments for financial assets

| | <i>Note</i> | 2011/12 | 2010/11 |
|-------------------|-------------|----------------|----------------|
| | | R'000 | R'000 |
| Debts written off | 6.1 | 10,380 | 9,273 |
| Total | | 10,380 | 9,273 |

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6.1 Debts written off

| | <i>Note</i> 6 | 2011/12 R'000 | 2010/11 R'000 |
|---------------------------------------|------------------|--------------------------|--------------------------|
| Nature of debts written off | | | |
| Debts written off due to prescription | | 585 | 1,042 |
| Interdepartmental Claims | | 9,795 | 2,568 |
| Irrecoverable Damages and Losses | | - | 5,663 |
| Total | | <u>10,380</u> | <u>9,273</u> |
| Recoverable revenue written off | | 336 | 157 |
| Total | | <u>336</u> | <u>157</u> |
| Total debt written off | | <u>10,380</u> | <u>9,273</u> |

7. Transfers and subsidies

| | | 2011/12 R'000 | 2010/11 R'000 |
|--|--------------------------------|--------------------------|--------------------------|
| Provinces and municipalities | <i>Note</i> <i>Annex 1A</i> | 492,936 | 515,348 |
| Departmental agencies and accounts | <i>Annex 1B</i> | 375 | 368 |
| Households | <i>Annex 1C</i> | 6,575 | 5,043 |
| Gifts, donations and sponsorships made | <i>Annex 1D</i> | <u>100</u> | <u>-</u> |
| Total | | <u>499,986</u> | <u>520,759</u> |

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8. Expenditure for capital assets

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|---|-------------|--------------------------|--------------------------|
| Tangible assets | | 72,450 | 82,155 |
| Buildings and other fixed structures | 30.1 | 42,669 | 65,916 |
| Heritage assets | | - | - |
| Machinery and equipment | 28 | 29,781 | 16,239 |
| Specialised military assets | | - | - |
| Land and subsoil assets | | - | - |
| Biological assets | | - | - |
| Software and other intangible assets | | 931 | 78 |
| Computer software | 29 | 931 | 78 |
| Mastheads and publishing titles | | - | - |
| Patents, licences, copyright, brand names, trademarks | | - | - |
| Recipes, formulae, prototypes, designs, models | | - | - |
| Services and operating rights | | - | - |
| Total | | 73,381 | 82,233 |

8.1 Analysis of funds utilised to acquire capital assets – 2011/12

| | Voted funds R'000 | Aid assistance R'000 | Total R'000 |
|---|------------------------------|-------------------------------------|------------------------|
| Tangible assets | 72,450 | - | 72,450 |
| Buildings and other fixed structures | 42,669 | | 42,669 |
| Heritage assets | | | |
| Machinery and equipment | 29,781 | | 29,781 |
| Specialised military assets | | | |
| Land and subsoil assets | | | |
| Biological assets | | | |
| Software and other intangible assets | 931 | - | 931 |
| Computer software | 931 | | 931 |
| Mastheads and publishing titles | | | |
| Patents, licences, copyright, brand names, trademarks | | | |
| Recipes, formulae, prototypes, designs, models | | | |
| Services and operating rights | | | |
| Total | 73,381 | - | 73,381 |

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8.2 Analysis of funds utilised to acquire capital assets – 2010/11

| | Voted funds | Aid assistance | Total |
|---|--------------------|-----------------------|---------------|
| | R'000 | R'000 | R'000 |
| Tangible assets | 82,155 | - | 82,155 |
| Buildings and other fixed structures | 65,916 | - | 65,916 |
| Heritage assets | | | |
| Machinery and equipment | 16,239 | - | 16,239 |
| Specialised military assets | | | |
| Land and subsoil assets | | | |
| Biological assets | | | |
| Software and other intangible assets | 78 | - | 78 |
| Computer software | 78 | - | 78 |
| Mastheads and publishing titles | | | |
| Patents, licences, copyright, brand names, trademarks | | | |
| Recipes, formulae, prototypes, designs, models | | | |
| Services and operating rights | | | |
| Total | 82,233 | - | 82,233 |

9. Unauthorised expenditure

9.1 Reconciliation of unauthorised expenditure

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|--|-------------|--------------------------|--------------------------|
| Opening balance | | | |
| Unauthorised expenditure – discovered in current year | | - | 4,498 |
| Less: Amounts approved by Parliament/Legislature with funding | | - | (4,498) |
| Less: Amounts approved by Parliament/Legislature without funding and written off in the Statement of Financial Performance | | | |
| Capital | | - | - |
| Current | | - | - |
| Transfers and subsidies | | - | - |
| Less: Amounts transferred to receivables for recovery | | | |
| Unauthorised expenditure awaiting authorisation / written off | | - | - |

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10. Cash and cash equivalents

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|--|-------------|--------------------------|--------------------------|
| Consolidated Paymaster General Account | | - | 41,722 |
| Cash receipts | | - | - |
| Disbursements | | - | - |
| Cash on hand | | 41 | 41 |
| Investments (Local) | | - | - |
| Investments (Foreign) | | - | - |
| Total | | 41 | 41,763 |

11. Receivables

| | | 2011/12 | | | 2010/11 |
|--------------------|-------------|-----------------|---------------|---------------|----------------|
| | | R'000 | R'000 | R'000 | R'000 |
| | | Less | One to | Older | |
| | | than one | three | than | |
| | <i>Note</i> | year | years | three | Total |
| | | | | years | |
| Claims recoverable | 11.1 | 272,767 | 24,525 | 4,617 | 301,909 |
| Staff debt | 11.2 | 1,530 | 346 | 132 | 2,008 |
| Other debtors | 11.3 | 1 | - | 11,620 | 11,621 |
| Total | | 274,298 | 24,871 | 16,369 | 315,538 |

11.1 Claims recoverable

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|--|-------------|--------------------------|--------------------------|
| National departments | 11 | 167 | 116 |
| Provincial departments | | 292,785 | 104,277 |
| Foreign governments | | - | - |
| Public entities | | 8,920 | 6,552 |
| Private enterprises | | 37 | 262 |
| Universities and technikons | | - | - |
| Households and non-profit institutions | | - | - |
| Local governments | | - | - |
| Total | | 301,909 | 111,207 |

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11.2 Staff debt

| | <i>Note</i> 11 | 2011/12 R'000 | 2010/11 R'000 |
|---|-------------------|--------------------------------|--------------------------------|
| (Group major categories, but list material items) | | | |
| Breach of Contract | | 275 | 193 |
| Employee | | 183 | 266 |
| Ex-employee | | 209 | 834 |
| Other | | 1,341 | 265 |
| Total | | 2,008 | 1,558 |

11.3 Other debtors

| | <i>Note</i> 11 | 2011/12 R'000 | 2010/11 R'000 |
|---|-------------------|--------------------------------|--------------------------------|
| (Group major categories, but list material items) | | | |
| Disallowance Payments Fraud Cheques: CA | | 11,620 | 11,620 |
| Sal: Income Tax: CL | | - | 471 |
| Sal: Medical Aid: CL | | - | 1 |
| Sal: Pension Fund: CL | | 1 | 1 |
| Disallowance Miscellaneous: CA | | - | 4,315 |
| Total | | 11,621 | 16,408 |

12. Voted funds to be surrendered to the Revenue Fund

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|---|-------------|--------------------------------|--------------------------------|
| Opening balance | | 166,577 | 2,456 |
| Transfer from statement of financial performance | | 30,702 | 219,374 |
| Add: Unauthorised expenditure for current year | | - | - |
| Voted funds not requested/not received | 1.1 | - | (52,796) |
| Transferred to retained revenue to defray excess expenditure (PARLIAMENT/LEGISLATURES ONLY) | | - | - |
| Paid during the year | | (166,577) | (2,457) |
| Closing balance | | 30,702 | 166,577 |

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13. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|---|-------------|--------------------------|--------------------------|
| Opening balance | | 1,439 | 841 |
| Transfer from Statement of Financial Performance | | 6,116 | 6,607 |
| Own revenue included in appropriation | | - | - |
| Transfer from aid assistance | | - | - |
| Transfer to voted funds to defray expenditure (Parliament/Legislatures ONLY) | | - | - |
| Paid during the year | | (7,303) | (6,009) |
| Closing balance | | 252 | 1,439 |

14. Bank Overdraft

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|---|-------------|--------------------------|--------------------------|
| Consolidated Paymaster General Account | | 280,059 | - |
| Fund requisition account | | - | - |
| Overdraft with commercial banks (Local) | | - | - |
| Overdraft with commercial banks (Foreign) | | - | - |
| Total | | 280,059 | - |

15. Payables – current

| | <i>Note</i> | 2011/12 Total | 2010/11 Total |
|-------------------|-------------|--------------------------|--------------------------|
| Clearing accounts | 15.1 | 190 | 438 |
| Other payables | 15.2 | 2,952 | 1,788 |
| Total | | 3,142 | 2,226 |

15.1 Clearing accounts

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|---|-------------|--------------------------|--------------------------|
| Description (Identify major categories, but list material amounts) | 15 | | |
| Salary ACB Recalls | | 124 | 299 |
| Pension Recoverable | | 15 | 14 |
| Sal: Reversal Control: CA | | 14 | 1 |
| Disallowance Miscellaneous | | 0 | 9 |
| Sal: Income Tax | | 37 | 115 |
| Total | | 190 | 438 |

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15.2 Other payables

| | <i>Note</i> 15 | 2011/12 R'000 | 2010/11 R'000 |
|---|-------------------|--------------------------------|--------------------------------|
| Description (Identify major categories, but list material amounts) | | | |
| Tender Deposits | | 2,951 | 1,787 |
| Sal: Garnishee Order: CL | | 1 | 1 |
| Total | | 2,952 | 1,788 |

16. Net cash flow available from operating activities

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|--|-------------|--------------------------------|--------------------------------|
| Net surplus/(deficit) as per Statement of Financial Performance | | 36,818 | 225,981 |
| Add back non cash/cash movements not deemed operating activities | | (285,948) | 273,812 |
| (Increase)/decrease in receivables – current | | (186,365) | 249,587 |
| (Increase)/decrease in prepayments and advances | | | |
| (Increase)/decrease in other current assets | | - | 4,498 |
| Increase/(decrease) in payables – current | | 916 | (1,244) |
| Proceeds from sale of capital assets | | | |
| Proceeds from sale of investments | | | |
| (Increase)/decrease in other financial assets | | | |
| Expenditure on capital assets | | 73,381 | 82,233 |
| Surrenders to Revenue Fund | | (173,880) | (8,466) |
| Surrenders to RDP Fund/Donor | | - | (52,796) |
| Voted funds not requested/not received | | | |
| Own revenue included in appropriation | | | |
| Other non-cash items | | | |
| Net cash flow generated by operating activities | | (249,130) | 499,793 |

17. Reconciliation of cash and cash equivalents for cash flow purposes

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|--|-------------|--------------------------------|--------------------------------|
| Consolidated Paymaster General account | | (280,059) | 41,722 |
| Fund requisition account | | - | - |
| Cash receipts | | - | - |
| Disbursements | | - | - |
| Cash on hand | | 41 | 41 |
| Cash with commercial banks (Local) | | - | - |
| Cash with commercial banks (Foreign) | | - | - |
| Total | | (280,018) | 41,763 |

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These amounts are not recognised in the Annual Financial Statements and are disclosed to enhance the usefulness of the Annual Financial Statements.

18. Contingent liabilities and contingent assets

18.1 Contingent liabilities

| | | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|--|---------------|-----------------|--------------------------|--------------------------|
| Liable to | Nature | | | |
| Housing loan guarantees | Employees | <i>Annex 2A</i> | 236 | 516 |
| Claims against the department | | <i>Annex 2B</i> | 15,835 | 15,546 |
| Other departments (interdepartmental unconfirmed balances) | | <i>Annex 4</i> | 891 | 1,773 |
| Total | | | 16,962 | 17,835 |

18.2 Contingent assets

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|-----------------------------------|-------------|--------------------------|--------------------------|
| Nature of contingent asset | | | |
| Claim for damages on vehicles | | 601 | 564 |
| Damages to Building | | 28 | 14 |
| Loss of cell phone | | - | 3 |
| Loss of laptop | | 14 | 11 |
| Total | | 643 | 592 |

19. Commitments

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|---------------------------------|-------------|--------------------------|--------------------------|
| Current expenditure | | | |
| Approved and contracted | | 142,080 | 5,697 |
| Approved but not yet contracted | | - | 222 |
| | | 142,080 | 5,919 |
| Capital expenditure | | | |
| Approved and contracted | | 8,006 | 45,855 |
| Approved but not yet contracted | | 24,088 | 29,978 |
| | | 32,094 | 75,833 |
| Total Commitments | | 174,175 | 81,752 |

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20. Accruals

| | | | 2011/12 R'000 | 2010/11 R'000 |
|--|----------------|-----------------|--------------------------|--------------------------|
| Listed by economic classification | | | | |
| | 30 Days | 30+ Days | Total | Total |
| Goods and services | 5,209 | 1,117 | 6,346 | 5,289 |
| Interest and rent on land | - | - | - | - |
| Transfers and subsidies | 4,282 | 1,046 | 5,328 | 19,454 |
| Capital assets | 218 | 422 | 640 | 346 |
| Other | 13 | 2 | 15 | 77 |
| Total | 9,722 | 2,607 | 12,329 | 25,166 |

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|----------------------------------|-------------|--------------------------|--------------------------|
| Listed by programme level | | | |
| Programme 1 | | 5,025 | 3,641 |
| Programme 2 | | 5,432 | 19,668 |
| Programme 3 | | 1,872 | 1,857 |
| Total | | 12,329 | 25,166 |

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|---|----------------|--------------------------|--------------------------|
| Confirmed balances with other departments | <i>Annex 5</i> | 828 | 298 |
| Confirmed balances with other government entities | <i>Annex 5</i> | - | - |
| Total | | 828 | 298 |

21. Employee benefits

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|-----------------------------------|-------------|--------------------------|--------------------------|
| Leave entitlement | | 18,740 | 21,259 |
| Service bonus (Thirteenth cheque) | | 11,663 | 10,242 |
| Performance awards | | 4,879 | 3,764 |
| Capped leave commitments | | 58,318 | 57,593 |
| Other | | 2,709 | 5,677 |
| Total | | 96,309 | 98,535 |

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22. Lease commitments

22.1 Operating leases expenditure

| | Specialised military equipment | Land | Buildings and other fixed structures | Machinery and equipment | Total |
|---|---|-------------|---|--|---------------|
| 2011/12 | | | | | |
| Not later than 1 year | - | - | 3,147 | 1,747 | 4,894 |
| Later than 1 year and not later than 5 years | - | - | 6,377 | 1,363 | 7,740 |
| Later than five years | - | - | 221 | - | 221 |
| Total lease commitments | - | - | 9,745 | 3,110 | 12,855 |

| | Specialised military equipment | Land | Buildings and other fixed structures | Machinery and equipment | Total |
|---|---|-------------|---|--|---------------|
| 2010/11 | | | | | |
| Not later than 1 year | - | - | 1,731 | 1,838 | 3,569 |
| Later than 1 year and not later than 5 years | - | - | 6,497 | 1,279 | 7,776 |
| Later than five years | - | - | - | - | - |
| Total lease commitments | - | - | 8,228 | 3,117 | 11,345 |

22.2 Finance leases expenditure

| | Specialised military equipment | Land | Buildings and other fixed structures | Machinery and equipment | Total |
|---|---|-------------|---|--|--------------|
| 2011/12 | | | | | |
| Not later than 1 year | - | - | - | 1,470 | 1,470 |
| Later than 1 year and not later than 5 years | - | - | - | 422 | 422 |
| Later than five years | - | - | - | - | - |
| Total lease commitments | - | - | - | 1,892 | 1,892 |
| LESS: finance costs | | | | 70 | 70 |
| Total present value of lease liabilities | - | - | - | 1,822 | 1,822 |

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| | Specialised military equipment | Land | Buildings and other fixed structures | Machinery and equipment | Total |
|---|---|-------------|---|--|--------------|
| 2010/11 | | | | | |
| Not later than 1 year | - | - | - | 2,168 | 2,168 |
| Later than 1 year and not later than 5 years | - | - | - | 870 | 870 |
| Later than five years | - | - | - | - | - |
| Total lease commitments | - | - | - | 3,038 | 3,038 |
| LESS: finance costs | | | | - | - |
| Total present value of lease liabilities | - | - | - | 3,038 | 3,038 |

23. Receivables for departmental revenue

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|---|-------------|--------------------------|--------------------------|
| Tax revenue | | 9 | - |
| Sales of goods and services other than capital assets | | 62 | 52 |
| Fines, penalties and forfeits | | | |
| Interest, dividends and rent on land | | 76 | - |
| Sales of capital assets | | 289 | |
| Transactions in financial assets and liabilities | | 78 | 1 |
| Transfers received (incl. conditional grants to be repaid by provincial departments) | | 10 | - |
| Other | | 326 | - |
| Total | | 850 | 53 |

23.1 Analysis of receivables for departmental revenue

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|---|-------------|--------------------------|--------------------------|
| Opening balance | | 53 | - |
| Less: amounts received | | 31 | - |
| Add: amounts recognised | | 561 | - |
| Less: amounts written-off/reversed as irrecoverable | | - | - |
| Closing balance | | 583 | - |

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24. Irregular expenditure

24.1 Reconciliation of irregular expenditure

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|---|-------------|--------------------------|--------------------------|
| Opening balance | | 3,736 | 85,435 |
| Add: Irregular expenditure – relating to prior year | | - | 3,577 |
| Add: Irregular expenditure – relating to current year | | 2,075 | - |
| Less: Amounts condoned | | (3,865) | (85,276) |
| Less: Amounts recoverable (not condoned) | | - | - |
| Less: Amounts not recoverable (not condoned) | | - | - |
| Irregular expenditure awaiting condonation | | 1,946 | 3,736 |

Analysis of awaiting condonation per age classification

| | | |
|--------------|--------------|--------------|
| Current year | 1,946 | 3,577 |
| Prior years | - | 159 |
| Total | 1,946 | 3,736 |

24.2 Details of irregular expenditure – current year

| Incident | Disciplinary steps taken/criminal proceedings | 2011/12 R'000 |
|--|--|--------------------------|
| Payment of additional costs due to relocation of services incl Transport costs | None. expenditure condoned | 74 |
| Payment for photocopy Machines where the lease had expired | None. Expenditure was approved | 55 |
| Total | | 129 |

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24.3 Details of irregular expenditure condoned

| Incident | Condoned by (condoning authority) | 2011/12 R'000 |
|---|--|--------------------------|
| Security Contract not renewed timeously | Expenditure Condoned | 3,577 |
| Additional cost paid as a result of relocation of services including transport cost | Expenditure Condoned | 74 |
| Lease agreement not renewed timeously | Expenditure Condoned | 55 |
| Unknown transaction from 2002/2003 Financial year - No source documents | Expenditure Condoned | 159 |
| Total | | 3,865 |

24.4 Details of irregular expenditures under investigation

| Incident | 2011/12 R'000 |
|--|--------------------------|
| Exceeding of delegation on authorising of payments for Ethekewini Municipality | 1,562 |
| Property rates processed prior to authorisation | 284 |
| Acting Allowance-exceeded prescribed period 12 months | 75 |
| Payment for variation Order before BAC Approval - Ethekewini | 25 |
| Total | 1,946 |

25. Fruitless and wasteful expenditure

25.1 Reconciliation of fruitless and wasteful expenditure

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|--|-------------|--------------------------|--------------------------|
| Opening balance | | - | - |
| Fruitless and wasteful expenditure – relating to prior year | | - | - |
| Fruitless and wasteful expenditure – relating to current year | | 47,166 | 10,419 |
| Less: Amounts condoned | | (47,162) | (10,419) |
| Less: Amounts transferred to receivables for recovery | | | |
| Fruitless and wasteful expenditure awaiting condonement | | 4 | - |

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25.2 Analysis of awaiting condonation per economic classification

| | 2011/12 R'000 | 2010/11 R'000 |
|-------------------------|--------------------------|--------------------------|
| Current | 4 | 10,419 |
| Capital | | |
| Transfers and subsidies | | |
| Total | 4 | 10,419 |

25.3 Analysis of Current year's fruitless and wasteful expenditure

| Incident | Disciplinary steps taken/criminal proceedings | 2011/12 R'000 |
|--|--|--------------------------|
| Interest on overdue account | Under investigation | 4 |
| Interest and penalties on Rates payments | No disciplinary or criminals charges | 47,162 |
| Total | | 47,166 |

26. Key management personnel

| | No. of Individuals | 2011/12 R'000 | 2010/11 R'000 |
|---|-------------------------------|--------------------------|--------------------------|
| Political office bearers (provide detail below) | 2 | 1,705 | 1,558 |
| Officials: | | | |
| Level 15 to 16 | 4 | 3,568 | 2,918 |
| Level 14 (incl. CFO if at a lower level) | 2 | | |
| Family members of key management personnel | | 1,918 | 1,735 |
| Total | | 7,191 | 6,211 |

27. Impairment

| | <i>Note</i> | 2011/12 R'000 | 2010/11 R'000 |
|-------------------|-------------|--------------------------|--------------------------|
| Impairment | | | |
| Investments | | | |
| Loans | | | |
| Debtors | | - | 6,791 |
| Other | | 11,620 | 11,620 |
| Total | | 11,620 | 18,411 |

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28. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

| | Opening balance | Curr Year Adjust- ments to prior year balances | Additions | Disposals | Closing Balance |
|--|--------------------|--|---------------|------------|--------------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| HERITAGE ASSETS | - | - | - | - | - |
| Heritage assets | - | - | - | - | - |
| MACHINERY AND EQUIPMENT | 75,179 | - | 29,719 | 955 | 103,943 |
| Transport assets | 29,310 | - | 16,055 | 793 | 44,572 |
| Computer equipment | 38,318 | - | 11,213 | 162 | 49,369 |
| Furniture and office equipment | 6,023 | - | 1,419 | - | 7,442 |
| Other machinery and equipment | 1,528 | - | 1,032 | - | 2,560 |
| SPECIALISED MILITARY ASSETS | - | - | - | - | - |
| Specialised military assets | - | - | - | - | - |
| BIOLOGICAL ASSETS | - | - | - | - | - |
| Biological assets | - | - | - | - | - |
| TOTAL MOVABLE TANGIBLE CAPITAL ASSETS | 75,179 | - | 29,719 | 955 | 103,943 |

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28.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

| | Cash | Non-cash | (Capital Work in Progress current costs and finance lease payments) | Received current, not paid (Paid current year, received prior year) | Total |
|---|---------------|----------|--|--|---------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| HERITAGE ASSETS | - | - | - | - | - |
| Heritage assets | - | - | - | - | - |
| MACHINERY AND EQUIPMENT | 29,780 | - | - | (61) | 29,719 |
| Transport assets | 16,055 | - | - | - | 16,055 |
| Computer equipment | 11,058 | - | - | 155 | 11,213 |
| Furniture and office equipment | 1,419 | - | - | - | 1,419 |
| Other machinery and equipment | 1,248 | - | - | (216) | 1,032 |
| SPECIALISED MILITARY ASSETS | - | - | - | - | - |
| Specialised military assets | - | - | - | - | - |
| BIOLOGICAL ASSETS | - | - | - | - | - |
| Biological assets | - | - | - | - | - |
| TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS | 29,780 | - | - | (61) | 29,719 |

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28.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

| | Sold for cash | Transfer out or destroyed or scrapped | Total disposals | Cash Received Actual |
|--|------------------|---|--------------------|----------------------------|
| | R'000 | R'000 | R'000 | R'000 |
| HERITAGE ASSETS | - | - | - | - |
| Heritage assets | - | - | - | - |
| MACHINERY AND EQUIPMENT | 793 | 162 | 955 | - |
| Transport assets | 793 | - | 793 | - |
| Computer equipment | - | - | - | - |
| Furniture and office equipment | - | 162 | 162 | - |
| Other machinery and equipment | - | - | - | - |
| SPECIALISED MILITARY ASSETS | | | | |
| Specialised military assets | - | - | - | - |
| BIOLOGICAL ASSETS | | | | |
| Biological assets | - | - | - | - |
| TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS | 793 | 162 | 955 | - |

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28.3 Movement for 2010/11

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011

| | Opening balance R'000 | Additions R'000 | Disposals R'000 | Closing balance R'000 |
|--------------------------------------|--------------------------------------|----------------------------|----------------------------|--------------------------------------|
| HERITAGE ASSETS | - | - | - | - |
| Heritage assets | - | - | - | - |
| MACHINERY AND EQUIPMENT | 58,926 | 16,635 | 382 | 75,179 |
| Transport assets | 23,015 | 6,295 | - | 29,310 |
| Computer equipment | 30,814 | 7,886 | 382 | 38,318 |
| Furniture and office equipment | 4,717 | 1,306 | - | 6,023 |
| Other machinery and equipment | 380 | 1,148 | - | 1,528 |
| SPECIALISED MILITARY ASSETS | | | | |
| Specialised military assets | - | - | - | - |
| BIOLOGICAL ASSETS | - | - | - | - |
| Biological assets | - | - | - | - |
| TOTAL MOVABLE TANGIBLE ASSETS | 58,926 | 16,635 | 382 | 75,179 |

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28.4

Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2012

| | Specialised military assets R'000 | Intangible assets R'000 | Heritage assets R'000 | Machinery and equipment R'000 | Biological assets R'000 | Total R'000 |
|--|--|--|--------------------------------------|--|--|------------------------|
| Opening balance | - | - | - | 7,164 | - | 7,164 |
| Curr Year Adjustments to Prior Year balances | - | - | - | 570 | - | 570 |
| Additions | | | | | | |
| Disposals | | | | | | |
| TOTAL MINOR ASSETS | - | - | - | 7,734 | - | 7,734 |

| | Specialised military assets | Intangible assets | Heritage assets | Machinery and equipment | Biological assets | Total |
|-------------------------------------|--|------------------------------|----------------------------|--|------------------------------|---------------|
| Number of R1 minor assets | - | - | - | 18,329 | - | 18,329 |
| Number of minor assets at cost | - | - | - | 4,992 | - | 4,992 |
| TOTAL NUMBER OF MINOR ASSETS | - | - | - | 23,321 | - | 23,321 |

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MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2011

| | Specialised military assets R'000 | Intangible assets R'000 | Heritage assets R'000 | Machinery and equipment R'000 | Biological assets R'000 | Total R'000 |
|--|--|--|--------------------------------------|--|--|------------------------|
| Opening balance | - | - | - | 439 | - | 439 |
| Curr Year Adjustments to Prior Year balances | - | - | - | 6,038 | - | 6,038 |
| Additions | - | - | - | 687 | - | 687 |
| Disposals | | | | | | |
| TOTAL MINOR ASSETS | - | - | - | 7,164 | - | 7,164 |

| | Specialised military assets | Intangible assets | Heritage assets | Machinery and equipment | Biological assets | Total |
|-------------------------------------|--|------------------------------|----------------------------|--|------------------------------|---------------|
| Number of R1 minor assets | - | - | - | 18,328 | - | 18,328 |
| Number of minor assets at cost | - | - | - | 4,664 | - | 4,664 |
| TOTAL NUMBER OF MINOR ASSETS | - | - | - | 22,992 | - | 22,992 |

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28.5 Movable assets written off

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2012

| | Specialised military assets R'000 | Intangible assets R'000 | Heritage assets R'000 | Machinery and equipment R'000 | Biological assets R'000 | Total R'000 |
|---|--|--|--------------------------------------|--|--|------------------------|
| Assets written off | - | - | - | - | - | - |
| TOTAL MOVABLE ASSETS WRITTEN OFF | - | - | - | - | - | - |

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2011

| | Specialised military assets R'000 | Intangible assets R'000 | Heritage assets R'000 | Machinery and equipment R'000 | Biological assets R'000 | Total R'000 |
|---|--|--|--------------------------------------|--|--|------------------------|
| Assets written off | - | - | - | - | - | - |
| TOTAL MOVABLE ASSETS WRITTEN OFF | - | - | - | - | - | - |

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DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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29. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

| | Opening balance | Current Year Adjust- ments to prior year balances | Additions | Disposals | Closing Balance |
|---|--------------------|--|------------|-----------|--------------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| COMPUTER SOFTWARE | 1,469 | - | 931 | - | 2,400 |
| MASTHEADS AND PUBLISHING TITLES | - | - | - | - | - |
| PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS | 28 | - | - | - | 28 |
| RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS | - | - | - | - | - |
| SERVICES AND OPERATING RIGHTS | - | - | - | - | - |
| TOTAL INTANGIBLE CAPITAL ASSETS | 1,497 | - | 931 | - | 2,428 |

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29.1 Additions

ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

| | Cash | Non-Cash | (Develop- ment work in progress – current costs) | Received current year, not paid (Paid current year, received prior year) | Total |
|---|------------|----------|---|--|------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| COMPUTER SOFTWARE | 931 | - | - | - | 931 |
| MASTHEADS AND PUBLISHING TITLES | - | - | - | - | - |
| PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS | - | - | - | - | - |
| RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS | - | - | - | - | - |
| SERVICES AND OPERATING RIGHTS | - | - | - | - | - |
| TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS | 931 | - | - | - | 931 |

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for the year ended 31 March 2012

29.2 Disposals

DISPOSALS OF INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

| | Sold for cash | Transfer out or destroyed or scrapped | Total disposals | Cash Received Actual |
|--|--------------------------|--|----------------------------|-------------------------------------|
| | R'000 | R'000 | R'000 | R'000 |
| COMPUTER SOFTWARE | - | - | - | - |
| MASTHEADS AND PUBLISHING TITLES | - | - | - | - |
| PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS | - | - | - | - |
| RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS | - | - | - | - |
| SERVICES AND OPERATING RIGHTS | - | - | - | - |
| TOTAL DISPOSALS OF INTANGIBLE CAPITAL ASSETS | - | - | - | - |

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29.3 Movement for 2010/11

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011

| | Opening balance R'000 | Additions R'000 | Disposals R'000 | Closing balance R'000 |
|--|--------------------------------------|----------------------------|----------------------------|--------------------------------------|
| COMPUTER SOFTWARE | 1,391 | 78 | - | 1,469 |
| MASTHEADS AND PUBLISHING TITLES | - | - | - | - |
| PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS | 28 | - | - | 28 |
| RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS | - | - | - | - |
| SERVICES AND OPERATING RIGHTS | - | - | - | - |
| TOTAL INTANGIBLE CAPITAL ASSETS | 1,419 | 78 | - | 1,497 |

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30. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

| | Opening balance | Curr Year Adjust- ments to prior year balances | Additions | Disposals | Closing Balance |
|--|--------------------|--|----------------|-----------|--------------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| BUILDINGS AND OTHER FIXED STRUCTURES | 10,984,562 | 43,468 | 148,186 | - | 11,176,216 |
| Dwellings | 113,416 | 243,831 | - | - | 357,247 |
| Non-residential buildings | 10,871,146 | (200,364) | 148,186 | - | 10,818,968 |
| Other fixed structures | - | - | - | - | - |
| HERITAGE ASSETS | - | - | - | - | - |
| Heritage assets | - | - | - | - | - |
| LAND AND SUBSOIL ASSETS | 460,027 | (45,333) | 1,540 | - | 416,234 |
| Land | 460,027 | (45,333) | 1,540 | - | 416,234 |
| Mineral and similar non- regenerative resources | - | - | - | - | - |
| TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS | 11,444,589 | (1,865) | 149,726 | - | 11,592,450 |

Included in the immovable assets of the department totalling R11,592,450,000, an amount of R272,046,378 relates to properties where majority of land parcels upon which facilities exist are registered in name of (e.g. RSA, Republic of South Africa etc) other than the Provincial Government of KwaZulu-Natal.

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30.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

| | Cash | Non-cash | (Capital Work in Progress current costs and finance lease payments) | Received current, not paid (Paid current year, received prior year) | Total |
|---|---------------|----------------|--|--|----------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| BUILDING AND OTHER FIXED STRUCTURES | 42,669 | 146,836 | (41,319) | - | 148,186 |
| Dwellings | - | - | - | - | - |
| Non-residential buildings | 42,669 | 146,836 | (41,319) | - | 148,186 |
| Other fixed structures | - | - | - | - | - |
| HERITAGE ASSETS | - | - | - | - | - |
| Heritage assets | - | - | - | - | - |
| LAND AND SUBSOIL ASSETS | - | 1,540 | - | - | 1,540 |
| Land | - | 1,540 | - | - | 1,540 |
| Mineral and similar non- regenerative resources | - | - | - | - | - |
| TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS | 42,669 | 148,376 | (41,319) | - | 149,726 |

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DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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30.2 Disposals

DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

| | Sold for cash | Transfer out or destroyed or scrapped | Total disposals | Cash Received Actual |
|---|------------------|---|--------------------|----------------------------|
| | R'000 | R'000 | R'000 | R'000 |
| BUILDINGS AND OTHER FIXED STRUCTURES | - | - | - | - |
| Dwellings | - | - | - | - |
| Non-residential buildings | - | - | - | - |
| Other fixed structures | - | - | - | - |
| HERITAGE ASSETS | - | - | - | - |
| Heritage assets | - | - | - | - |
| LAND AND SUBSOIL ASSETS | - | - | - | - |
| Land | - | - | - | - |
| Mineral and similar non-regenerative resources | - | - | - | - |
| | - | - | - | - |
| TOTAL DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS | - | - | - | - |

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30.3 Movement for 2010/11

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011

| | Opening balance R'000 | Additions R'000 | Disposals R'000 | Closing balance R'000 |
|--|-----------------------------|--------------------|--------------------|-----------------------------|
| BUILDINGS AND OTHER FIXED STRUCTURES | 961,055 | 10,023,507 | - | 10,984,562 |
| Dwellings | 11,932 | 101,484 | - | 113,416 |
| Non-residential buildings | 949,123 | 9,922,023 | - | 10,871,146 |
| Other fixed structures | - | - | - | - |
| HERITAGE ASSETS | - | - | - | - |
| Heritage assets | - | - | - | - |
| LAND AND SUBSOIL ASSETS | 49,960 | 410,067 | - | 460,027 |
| Land | 49,960 | 410,067 | - | 460,027 |
| Mineral and similar non-regenerative resources | - | - | - | - |
| TOTAL IMMOVABLE TANGIBLE ASSETS | 1,011,015 | 10,433,574 | - | 11,444,589 |

30.4 Immovable assets valued at R1

IMMOVABLE ASSETS VALUED AT R1 IN THE ASSET REGISTER AS AT 31 MARCH 2012

| | Buildings and other fixed structures R'000 | Heritage assets R'000 | Land and subsoil assets R'000 | Total R'000 |
|---------------------|--|-----------------------------|--|----------------|
| R1 Immovable assets | 3,498 | - | - | 3,498 |
| TOTAL | 3,498 | - | - | 3,498 |

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IMMOVABLE ASSETS VALUED AT R1 IN THE ASSET REGISTER AS AT 31 MARCH 2011

| | Buildings and other fixed structures R'000 | Heritage assets R'000 | Land and subsoil assets R'000 | Total R'000 |
|---------------------|---|--------------------------------------|--|------------------------|
| R1 Immovable assets | 55 | - | 6 | 61 |
| TOTAL | 55 | - | 6 | 61 |

30.5 Immovable assets written off

IMMOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2012

| | Buildings and other fixed structures R'000 | Heritage assets R'000 | Land and subsoil assets R'000 | R'000 | Total R'000 |
|---|---|--------------------------------------|--|--------------|------------------------|
| Assets written off | - | - | - | - | - |
| TOTAL | - | - | - | - | - |
| IMMOVABLE ASSETS WRITTEN OFF | | | | | |

IMMOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2011

| | Buildings and other fixed structures R'000 | Heritage assets R'000 | Land and subsoil assets R'000 | R'000 | Total R'000 |
|---|---|--------------------------------------|--|--------------|------------------------|
| Assets written off | - | - | - | - | - |
| TOTAL | - | - | - | - | - |
| IMMOVABLE ASSETS WRITTEN OFF | | | | | |

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2012

31. STATEMENT OF CONDITIONAL GRANTS RECEIVED

| NAME OF DEPARTMENT | GRANT ALLOCATION | | | | | SPENT | | | 2010/11 | |
|--|--|------------|------------------|-------------------|-----------------|-------------------------------|----------------------------|--|-------------------------|----------------------------|
| | Division of Revenue Act/ Provincial Grants | Roll Overs | DORA Adjustments | Other Adjustments | Total Available | Amount received by department | Amount spent by department | % of available funds spent by department | Division of Revenue Act | Amount spent by department |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| KZN Public Works - Devolution of Property Rate | 518,585 | 42,295 | - | (55,000) | 505,880 | 505,880 | 489,480 | 97% | 709,891 | 509,939 |
| KZN Public Works - EPWP incentive Grant | - | - | - | 1,961 | 1,961 | 1,961 | 4,683 | 239% | 1,344 | 413 |
| | 518,585 | 42,295 | - | (53,039) | 507,841 | 507,841 | 494,163 | - | 711,235 | 510,352 |

Department are reminded of the requirement to certify that all transfers in terms of this Act were deposited into the primary bank account of the province or, where appropriate, into the CPD account of the province.

Devolution of Property rate grant to provinces is for the payment of rates to municipalities.

EPWP Incentive grant is for the government programme aimed at alleviating poverty and unemployment.

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ANNEXURE 1A

STATEMENT OF UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES

| NAME OF MUNICIPALITY | GRANT ALLOCATION | | | | TRANSFER | | SPENT | | | 2010/11 |
|-----------------------------|------------------|------------|-------------|-----------------|-----------------|----------------------------------|---------------------------------|------------------------------|--|-----------------|
| | Amount | Roll Overs | Adjustments | Total Available | Actual Transfer | % of Available funds Transferred | Amount received by municipality | Amount spent by municipality | % of available funds spent by municipality | Total Available |
| | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 | % | R'000 |
| Ethekwini Metro | 376,931 | 11,076 | (69,630) | 318,377 | 281,849 | 89% | 281,849 | 281,849 | 100% | 352,600 |
| Ugu Municipalities | 10,618 | 1,518 | 1,088 | 13,224 | 8,337 | 63% | 8,337 | 8,337 | 100% | 22,074 |
| Umgugundlovu Municipalities | 45,459 | 8,889 | (1,500) | 52,848 | 61,919 | 117% | 61,919 | 61,919 | 100% | 121,710 |
| Uthukela Municipalities | 24,224 | 1,736 | 587 | 26,547 | 20,451 | 77% | 20,451 | 20,451 | 100% | 25,419 |
| Umzinyathi Municipalities | 4,896 | 1,912 | 12,455 | 19,263 | 20,497 | 106% | 20,497 | 20,497 | 100% | 21,441 |
| Amajuba Municipalities | 7,322 | 103 | 1,500 | 8,925 | 8,218 | 92% | 8,218 | 8,218 | 100% | 13,082 |
| Zululand Municipalities | 4,292 | 954 | - | 5,246 | 15,475 | 295% | 15,475 | 15,475 | 100% | 25,759 |
| *Zululand Municipalities | 7,645 | - | - | 7,645 | 7,922 | 104% | 7,922 | 7,922 | 100% | 7,860 |
| Umkhanyakude Municipalities | 4,796 | 2,395 | 500 | 7,691 | 9,312 | 121% | 9,312 | 9,312 | 100% | 15,012 |

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| | | | | | | | | | | |
|---------------------------------------|----------------|---------------|-----------------|----------------|----------------|------------|----------------|----------------|-------------|----------------|
| Uthungulu Municipalities | 4,394 | 2,650 | - | 7,044 | 21,589 | 306% | 21,589 | 21,589 | 100% | 31,435 |
| Ilembe Municipalities | 20,622 | 10,699 | - | 31,321 | 26,617 | 85% | 26,617 | 26,617 | 100% | 22,383 |
| Sisonke Municipalities | 10,500 | 163 | - | 10,663 | 10,581 | 99% | 10,581 | 10,581 | 100% | 54,919 |
| Out of Province Municipalities | | | | | | | | | | |
| Emalahleni | - | 40 | - | 40 | - | - | - | - | | - |
| Matjhabeng | - | 35 | - | 35 | - | - | - | - | | - |
| Emfulent | - | 35 | - | 35 | - | - | - | - | | - |
| Ekurhuleni | - | 90 | - | 90 | - | - | - | - | 100% | - |
| PD Licences | - | - | 132 | 132 | 169 | 128% | 169 | 169 | | |
| Total | 521,699 | 42,295 | (54,868) | 509,126 | 492,936 | 97% | 492,936 | 492,936 | 100% | 713,694 |

*Zululand Municipalities rates which are not part of conditional grant.

Note that the personnel expenditure for the grant budget of R4,234 million and expenditure of R2,451 million is not transfers and subsidies, this is in line with the Standard Chart of Accounts classifications.

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ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

| DEPARTMENT/ AGENCY/ ACCOUNT | TRANSFER ALLOCATION | | | | TRANSFER | | 2010/11 |
|------------------------------|---------------------------|---------------|------------------|--------------------|--------------------|---|-------------------|
| | Adjusted Appropriation | Roll Overs | Adjust- ments | Total Available | Actual Transfer | % of Available funds Transferred | Appropriation Act |
| | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 |
| Compensation of Commissioner | 215 | - | - | 215 | - | - | 202 |
| Skills development | 375 | - | - | 375 | 375 | 100% | 354 |
| Total | 590 | - | - | 590 | 375 | 64% | 556 |

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ANNEXURE 1C
STATEMENT OF TRANSFERS TO HOUSEHOLDS

| HOUSEHOLDS | TRANSFER ALLOCATION | | | | EXPENDITURE | | 2010/11 |
|---|----------------------------|------------|--------------|-----------------|-----------------|----------------------------------|-------------------|
| | Adjusted Appropriation Act | Roll Overs | Adjustments | Total Available | Actual Transfer | % of Available funds Transferred | Appropriation Act |
| | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 |
| Transfers | | | | | | | |
| H/H: BURSARIES (NON EMOLYEEES) | 2,000 | - | - | 2,000 | 1,671 | 84% | 1,210 |
| H/H: CLAIMS AGAINST STATE (CASH) | - | - | - | - | 25 | | - |
| | 2,000 | - | - | 2,000 | 1,696 | | 1,210 |
| | | | | | | | |
| Subsidies | | | | | | | |
| H/H EMPL S/EMPL S BEN : INJURY ON DUTY | 115 | - | - | 115 | 292 | 254% | 66 |
| H/H EMPL S/EMPL S BEN : LEAVE GRATUITY | 1,260 | - | 2,097 | 3,339 | 4,483 | 134% | 3,767 |
| H/H EMPL S/EMPL S BEN : POST RETIREMENT BENEF | 175 | - | - | 175 | 98 | 56% | - |
| H/H EMPL S/EMPL S BEN : SEVERANCE PACKAGE | 368 | - | (27) | 341 | 6 | 2% | - |
| | 1,918 | - | 2,052 | 3,970 | 4,879 | | 3,833 |
| Total | 3,918 | - | 2,052 | 5,970 | 6,575 | | 5,043 |

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ANNEXURE 1D

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE

| NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation) | 2011/12 | 2010/11 |
|--|------------|----------|
| | R'000 | R'000 |
| | | |
| Paid in cash | | |
| | | |
| Donation paid to Cael Malcomes High School | 100 | - |
| | | |
| Subtotal | 100 | - |
| | | |
| Made in kind | | |
| | | |
| Donation of Computers to Umkhanyakude Flagship Project | 7 | - |
| | | |
| Subtotal | 7 | - |
| | | |
| TOTAL | 107 | - |

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ANNEXURE 2A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2012 – LOCAL

| Guarantor institution | Guarantee in respect of | Original guaranteed capital amount | Opening balance 1 April 2011 | Guarantees draw downs during the year | Guarantees repayments/ cancelled/ reduced/ released during the year | Revaluations | Closing balance 31 March 2012 | Guaranteed interest for year ended 31 March 2012 | Realised losses not recoverable i.e. claims paid out |
|-----------------------|-------------------------|------------------------------------|------------------------------|---------------------------------------|---|--------------|-------------------------------|--|--|
| | | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| ABSA | | 1,495 | 298 | - | 176 | - | 122 | - | - |
| FIRSTRAND BANK | | 186 | 109 | 26 | 98 | - | 37 | - | - |
| ITHALA | | 66 | 33 | - | 20 | - | 13 | - | - |
| NEDBANK | | 240 | 48 | - | - | - | 48 | - | - |
| STANDARD BANK | | 80 | 28 | - | 12 | - | 16 | - | - |
| | | | | | | | | | |
| | TOTAL | 2,067 | 516 | 26 | 306 | - | 236 | - | - |

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ANNEXURE 2B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2012

| Nature of Liability | Opening Balance 1 April 2011 R'000 | Liabilities incurred during the year R'000 | Liabilities paid/cancell ed/reduced during the year R'000 | Liabilities recoverabl e (Provide details hereunder) R'000 | Closing Balance 31 March 2012 R'000 |
|--------------------------------------|--|---|--|---|--|
| Claims against the department | | | | | |
| Claim against the department | 15,546 | 3,782 | 3,493 | - | 15,835 |
| | | | | | |
| TOTAL | 15,546 | 3,782 | 3,493 | - | 15,835 |

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ANNEXURE 3
CLAIMES RECOVERABLE

| Government Entity | Confirmed balance outstanding | | Unconfirmed balance outstanding | | Total | |
|--|-------------------------------|------------|---------------------------------|------------|------------|------------|
| | 31/03/2012 | 31/03/2011 | 31/03/2012 | 31/03/2011 | 31/03/2012 | 31/03/2011 |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Department | | | | | | |
| KZN Dept of Agriculture, Environmental Affairs & Rural Development | - | - | 15,786 | 5,629 | 15,786 | 5,629 |
| KZN Dept of Arts & Culture | 609 | 711 | 81 | 31 | 690 | 742 |
| KZN Dept of Community Safety and Liaison | 325 | - | - | - | 325 | - |
| KZN Dept of Co-operative Governance & Traditional Affairs | 4,101 | 5,079 | 320 | 1,234 | 4,424 | 6,313 |
| KZN Dept of Economic Development & Tourism | - | 735 | 2,230 | 1,885 | 2,230 | 2,620 |
| KZN Dept of Education | 208,496 | 46,415 | - | - | 208,496 | 46,415 |
| KZN Dept of Health | - | 2,194 | 30,529 | 11,125 | 30,529 | 13,319 |
| KZN Dept of Human Settlements | - | 1,960 | 80 | 657 | 80 | 2,617 |
| KZN Office of the Premier | - | - | 1,720 | 4,368 | 1,720 | 4,368 |
| KZN Legislature | 3,191 | - | 2,722 | 763 | 5,913 | 763 |
| KZN Provincial Treasury | 328 | - | - | - | 328 | - |
| KZN Dept of Social Development | - | - | 15,749 | 14,772 | 15,749 | 14,772 |
| KZN Dept of Sport and Recreation | 2,007 | - | 698 | - | 2,705 | - |
| The Royal Household | - | - | 217 | 1,013 | 217 | 1,013 |
| KZN Dept of Transport | 3,306 | 3,535 | 66 | 528 | 3,372 | 4,063 |
| National Depart of Justice | - | - | 4 | 4 | 4 | 4 |
| National Department of Agriculture | - | - | - | 15 | - | 15 |
| National Public Works | - | - | 50 | 42 | 50 | 42 |

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| | | | | | | |
|--|---|---|----|----|----|----|
| SAPS | - | - | 55 | 31 | 55 | 31 |
| National Department of Labour | - | - | 16 | - | 16 | - |
| Government Communication and Information Systems | - | - | 35 | 24 | 35 | 24 |
| National Health and Soc Dev | - | - | 6 | - | 6 | - |
| | | | | | | |

| | | | | | |
|---------|--------|--------|--------|---------|---------|
| 222,366 | 60,629 | 70,364 | 42,121 | 292,730 | 102,750 |
|---------|--------|--------|--------|---------|---------|

Other Government Entities

| | | | | | | |
|-----------------------|---|-----|-------|-------|-------|-------|
| SASSA | - | - | 8,906 | 6,538 | 8,906 | 6,538 |
| Ezemvelo KZN Wildlife | - | - | 14 | 14 | 14 | 14 |
| FAZ | - | - | 23 | 10 | 23 | 10 |
| SITA | - | 253 | 14 | - | 14 | 253 |
| | | | | | | |
| | | | | | | |
| | - | 253 | 8,957 | 6,562 | 8,957 | 6,815 |

| | | | | | | |
|-------|---------|--------|--------|--------|---------|---------|
| TOTAL | 222,366 | 60,882 | 79,321 | 48,683 | 301,687 | 109,565 |
|-------|---------|--------|--------|--------|---------|---------|

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**ANNEXURE 4
INTER-GOVERNMENT PAYABLES**

| GOVERNMENT ENTITY | Confirmed balance outstanding | | Unconfirmed balance outstanding | | TOTAL | |
|---|--------------------------------------|-------------------|--|-------------------|-------------------|-------------------|
| | 31/03/2012 | 31/03/2011 | 31/03/2012 | 31/03/2011 | 31/03/2012 | 31/03/2011 |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| DEPARTMENTS | | | | | | |
| Current | | | | | | |
| Department of Health - CPS | 15 | - | - | 91 | 15 | 91 |
| Department of Justice | 271 | - | 217 | 531 | 488 | 531 |
| Office of the Premier | 431 | 226 | - | 20 | 431 | 246 |
| Safety and Security - SAPS | - | - | - | - | - | - |
| Department of Transport | 50 | - | 164 | 1,114 | 214 | 1,114 |
| Provincial Treasury | - | 41 | - | - | - | 41 |
| Provincial Legislature | 49 | - | - | - | 49 | - |
| Economic Development | - | - | - | - | - | - |
| Community Safety and Liaison | - | - | - | - | - | - |
| Dept of Human Settlement | - | - | - | - | - | - |
| Dept of Water Affairs | - | 31 | - | 17 | - | - |
| Department of Education | - | - | 10 | 0 | 10 | - |
| Department of Arts and Culture | - | - | - | - | - | - |
| Department of Agriculture & environmental Affairs | - | - | 2 | - | 2 | - |
| Government Printing | 12 | - | 2 | - | 14 | - |
| Department of Trade and Industry | - | - | 15 | - | 15 | - |
| Department of Roads and Public Works | - | - | 1 | - | 1 | - |
| PALAMA | - | - | 480 | - | 480 | - |
| | | | | | | |
| Subtotal | 828 | 298 | 891 | 1,773 | 1,719 | 2,023 |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| Total | 828 | 298 | 891 | 1,773 | 1,719 | 2,023 |

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**ANNEXURE 5
INVENTORY**

| Inventory | Note | Quantity | 2011/12 | Quantity | 2010/11 |
|---|------|----------------|--------------|----------------|--------------|
| | | | R'000 | | R'000 |
| Opening balance | | 118,440 | 4,233 | 84,547 | 2,016 |
| Add/(Less): Adjustments to prior year balance | | 252 | (89) | - | - |
| Add: Additions/Purchases - Cash | | 245,361 | 2,395 | 142,647 | 5,564 |
| Add: Additions - Non-cash | | 309 | 3 | - | - |
| (Less): Disposals | | - | - | - | - |
| (Less): Issues | | (75,331) | (2,469) | (108,754) | (3,347) |
| Add/(Less): Adjustments | | (172,859) | (74) | - | - |
| | | | | | |
| Closing balance | | 116,172 | 3,999 | 118,440 | 4,233 |

4. HUMAN RESOURCE MANAGEMENT

1. HUMAN RESOURCE MANAGEMENT – 2011/12

The statistics and information published in the Human Resources Management part of the annual report are required in terms of Chapter 1, Part III J.3 of the Public Service Regulations, 2002 and have been prescribed by the Minister for the Public Service and Administration for all departments within the Public Service.

The tables were obtained from Department of Public Service and Administration (DPSA). Any input or clarification required should be directed to:-

Henk Serfontein

Department of Public Service and Administration

Henk_S@dpsa.gov.za

For a detailed description and explanation of the terminology used in this section of the report, please consult the publication from the DPSA entitled 'A guide to understanding the oversight report of departmental annual reports'. A copy of the guide is available from all departments or can be accessed from the DPSA website (www.dpsa.gov.za). All departments are required to develop a Service Delivery Improvement (SDI) Plan. The following tables reflect the components of the SDI plan as well as progress made in the implementation of the plans.

4.1 Service delivery

All departments are required to develop a Service Delivery Improvement (SDI) Plan. The following tables reflect the components of the SDI plan as well as progress made in the implementation of the plans.

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Table 1.1 – Main services provided and standards

| Main services | Actual customers | Potential customers | Standard of service | Actual achievement against standards |
|--|---|---|--|--|
| 1. Recruitment and selection of prospective employees. | General public, other state employees, Departmental employees. | Same | As per approved HRM SOPS | The recruitment process currently taking approximately six months to finalise, considering the implementation of vetting and qualification verification. |
| 2. Management of employment changes within the Department (staff mobility) | Departmental employees and other Government employees. | Same | As per approved HRM SOPS | <ul style="list-style-type: none"> - Service terminations finalized within the officials last month of service. - Finalisation of transfers within one month of request. |
| 3. Human Resource Development | Departmental employees; Prospective employees; Accredited Training service providers | Same | As per approved HRM SOPS | Development and implementation of WSP. |
| 4. Development and implementation of Employee Health and Wellness (EHW) | <ul style="list-style-type: none"> - Departmental employees. - Immediate family members | Contractors and consultants employed by the Department. | As per approved HRM SOPS | Approved and implemented Policies for EHW |
| 5. Mainstreaming equity (gender, disability) throughout the | <ul style="list-style-type: none"> - Departmental employees - Office of the | Contractors and consultants employed by | Compliance with National targets in terms of 50:50 gender representation and 2% disability and Race as per | All 5 Offices with the Department have their equity plans which serve as input to Departmental Employment Equity Plan. Annual Employment Equity report was |

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| | | | | |
|--|---|-----------------|---------------------------------------|--|
| Department's policies, programmes and practices. | Premier - Department of Labour - Prospective employees - Department of Public Service & Administration | the Department. | Economically Active Population in KZN | submitted to Department of Labour. Employment Equity Committee meetings are held to monitor the compliance Public Works Offices are also accessible to people with disabilities throughout the province. Audit conducted within the Departmental staff to identify needs and provide assistive devices. 25% women at SMS senior management level against the National target of 50%. |
|--|---|-----------------|---------------------------------------|--|

Table 1.2 – Consultation arrangements with customers

| Type of arrangement | Actual Customers | Potential Customers | Actual achievements |
|--|-------------------------|----------------------------|--|
| 1. Consultative forums; Roadshows/workshops internal circulars; newsletters/ Departmental Website. | Departmental employees | Same | - Elimination of communication barriers - Awareness of Department Policies and Procedures amongst staff |
| | | | |

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Table 1.3 – Service delivery access strategy

| Access Strategy | Actual achievements |
|---|---|
| * <i>Establishment of Help desk for EAP Services</i> | Trained EAP focal persons |
| * Help desk services for SMME's | Accurately completed tender documentation. Awareness and training for SMME's |
| * Conversion of state building for easy access to people with disabilities. | Buildings converted by the Department as well as for client departments. |
| Strategy for Reasonable Access also developed. | Upon approval of the strategy, it will be implemented in the Department. |

Table 1.4 – Service information tool

| Types of information tool | Actual achievements |
|---|--|
| Departmental website, newsletters, advertisements, circulars and standing radio slots | Posting of tender documents, vacancy advertisement, SOP's Policies, Translation of policies into IsiZulu |
| | |

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Table 1.5 – Complaints mechanism

| Complaints Mechanism | Actual achievements |
|---|--|
| <ul style="list-style-type: none"> • <i>Fault logging office per region</i> • Whistle blowing toll free lines • Suggestion boxes • Approved Grievance Procedure | Facilities exist for complaints to be received and resolved. |
| | |

2. Expenditure – (01/04/2011 – 31/03/2012)

Departments budget in terms of clearly defined programmes. The following tables summarise final audited expenditure by programme (Table 2.1) and by salary bands (Table 2.2). In particular, it provides an indication of the amount spent on personnel costs in terms of each of the programmes or salary bands within the department.

TABLE 2.1 – Personnel costs by programme, 2011/12

| Programme | Total Expenditure (R'000) | Personnel Expenditure (R'000) | Training Expenditure (R'000) | Professional and Special Services (R'000) | Personnel cost as a percent of total expenditure | Average personnel cost per employee (R'000) | Employment |
|---------------------------|---------------------------|-------------------------------|------------------------------|---|--|---|-------------|
| Prog 1: Administration | 273,226 | 177,479 | 0 | 0 | 64.9 | 86 | 806 |
| Prog 2: Real Estate | 580,466 | 29,143 | 0 | 0 | 5 | 14 | 90 |
| Prog 3: Prov of buildings | 328,576 | 191,401 | 0 | 0 | 58.3 | 92 | 1167 |
| Total | 1,182,268 | 398,023 | 0 | 0 | 33.7 | 192 | 2063 |

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TABLE 2.2 – Personnel costs by salary bands, 2011/12

| Salary bands | Personnel Expenditure (R'000) | % of total personnel cost | Average Cost per Employee(R) | Total Personnel Cost | Number of employees |
|---|--|--|--|-------------------------------------|--------------------------------|
| Lower skilled (Levels 1-2) | 50,498 | 12.1 | 103,27 | 398,023 | 485 |
| Skilled (Levels 3-5) | 82,703 | 20.8 | 124,18 | 398,023 | 645 |
| Highly skilled production (Levels 6-8) | 123,640 | 31.1 | 209,745 | 398,023 | 584 |
| Highly skilled supervision (Levels 9-12) | 95,515 | 24 | 375,882 | 398,023 | 254 |
| Senior management (Levels 13-16) | 25,983 | 6.2 | 927,964 | 398,023 | 28 |
| Contract (1-2) | 94 | 0 | 0 | 398,023 | 0 |
| Contract (3-5) | 3,194 | 0.8 | 354,889 | 398,023 | 9 |
| Contract (6-8) | 3,906 | 0.9 | 229,765 | 398,023 | 17 |
| Contract (9-12) | 11,541 | 2.8 | 329,771 | 398,023 | 35 |
| Contract (13-16) | 54 | 0 | 54,000 | 398,023 | 1 |
| Periodical Remuneration | 895 | 0.2 | 179,000 | 398,023 | 5 |
| Total | 398,023 | | 191,426 | 398,023 | 2063 |

The following tables provide a summary per programme (Table 2.3) and salary bands (Table 2.4), of expenditure incurred as a result of salaries, overtime, home owners allowance and medical assistance. In each case, the table provides an indication of the percentage of the personnel budget that was used for these items.

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TABLE 2.3 – Salaries, Overtime, Home Owners Allowance and Medical Assistance by programme, 2011/12

| Programme | Salaries | | Overtime | | Home Owners Allowance | | Medical Assistance | |
|--|-------------------|--|-------------------|--|-----------------------|------------------------------------|--------------------|--|
| | Amount (R'000) | Salaries as a % of personnel cost | Amount (R'000) | Overtime as a % of personnel cost | Amount (R'000) | HOA as a % of personnel cost | Amount (R'000) | Medical Assistance as a % of personnel cost |
| 1 Administration | 116,478 | 29.3 | 127 | 0.03 | 7,428 | 1.9 | 12,280 | 3.1 |
| 2 Real Estate | 21,298 | 5.4 | 328 | 0.1 | 740 | 0.2 | 1,605 | 0.4 |
| 3 Provide building Structure & Equipment | 139,712 | 35.1 | 29 | 0.01 | 8,829 | 2.2 | 13,730 | 3.5 |
| Total | 277,488 | 69.7 | 484 | 0.1 | 16,997 | 4.3 | 27,615 | 6.9 |

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TABLE 2.4 – Salaries, Overtime, Home Owners Allowance and Medical Assistance by salary bands, 2011/12

| Salary Bands | Salaries | | Overtime | | Home Owners Allowance | | Medical Assistance | | Total Cost Per Salary Band |
|---|----------------|-----------------------------------|----------------|-----------------------------------|-----------------------|------------------------------|--------------------|---|----------------------------|
| | Amount (R'000) | Salaries as a % of personnel cost | Amount (R'000) | Overtime as a % of personnel cost | Amount (R'000) | HOA as a % of personnel cost | Amount (R'000) | Medical Assistance as a % of personnel cost | |
| Lower skilled (Levels 1-2) | 29,733 | 7.5 | 106 | 0.03 | 4,209 | 1.1 | 5,356 | 1.4 | 39,404 |
| Skilled (Levels 3-5) | 51,520 | 12.9 | 56 | 0.01 | 5,794 | 1.5 | 9,393 | 2.4 | 66,763 |
| Highly skilled production (Levels 6-8) | 86,297 | 21.7 | 171 | 0.04 | 4648 | 1.2 | 8,435 | 2.1 | 99,551 |
| Highly skilled supervision (Levels 9-12) | 69,774 | 17.5 | 137 | 0.1 | 1,603 | 0.4 | 3,840 | 0.9 | 75,354 |
| Senior management (Levels 13-16) | 22,104 | 5.6 | 0 | 0 | 236 | 0.1 | 466 | 0.1 | 22,806 |
| Contract (1-2) | 94 | 0.02 | 0 | 0 | 0 | 0 | 0 | 0 | 94 |
| Contract (3-5) | 3,972 | 1 | 10 | 0.003 | 0 | 0 | 0 | 0 | 3,982 |
| Contract (6-8) | 3,704 | 0.9 | 4 | 0.001 | 7 | 0.002 | 6 | 0.002 | 3,721 |

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| | | | | | | | | | |
|--------------------------------|----------------|-------------|------------|------------|---------------|------------|---------------|------------|----------------|
| Contract (9-12) | 10,236 | 2.6 | 0 | 0 | 500 | 0.1 | 119 | 0.03 | 10,855 |
| Contract (13-16) | 54 | 0.01 | 0 | 0 | 0 | 0 | 0 | 0 | 54 |
| Periodical Remuneration | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1011 |
| Total | 277,488 | 69.7 | 484 | 0.1 | 16,997 | 4.3 | 27,615 | 6.9 | 323,595 |

(NB. Vertical total includes R1011 iro periodical remuneration and total differs from total personnel expenditure on account of items considered, viz salaries, overtime, housing and medical only)

3. Employment and Vacancies

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment. This information is presented in terms of three key variables: - programme (Table 3.1), salary band (Table 3.2) and critical occupations (Table 3.3). Departments have identified critical occupations that need to be monitored. Table 3.3 provides establishment and vacancy information for the key critical occupations of the department.

The vacancy rate reflects the percentage of posts that are not filled.

TABLE 3.1 – Employment and vacancies by programme, @ 31 March 2012

| Programme | Number of posts | Number of posts filled | Vacancy Rate | Number of posts filled additional to the establishment |
|--|------------------------|-------------------------------|---------------------|---|
| 1 Administration | 833 | 785 | 5.8 | 22 |
| 2 Real Estate | 115 | 90 | 21.7 | 0 |
| 3 Provide building Structure & Equipment | 1063 | 992 | 6.7 | 174 |
| Total | 2011 | 1867 | 7.2% | 196 |

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(NB. Total employees = 2093 when adding ATE and permanently filled posts)

TABLE 3.2 – Employment and vacancies by salary bands, 31 March 2012

| Salary band | Number of posts | Number of posts filled | Vacancy Rate | Number of posts filled additional to the establishment |
|---|------------------------|-------------------------------|---------------------|---|
| Lower skilled (Levels 1-2) | 429 | 375 | 12.6 | 111 |
| Skilled (Levels 3-5) | 617 | 601 | 2.6 | 41 |
| Highly skilled production (Levels 6-8) | 585 | 547 | 6.5 | 29 |
| Highly skilled supervision (Levels 9-12) | 287 | 254 | 11.5 | 0 |
| Senior management (Levels 13-16) | 31 | 28 | 9.6 | 0 |
| Contract (Levels 1-2) | 0 | 0 | 0 | 0 |
| Contract (Levels 3-5) | 9 | 9 | 0 | 0 |
| Contract (Levels 6-8) | 17 | 17 | 0 | 5 |
| Contract (Levels 9-12) | 35 | 35 | 0 | 10 |
| Contract (Levels 13-16) | 1 | 1 | 0 | 0 |
| Total | 2011 | 1867 | 7.2 | 196 |

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TABLE 3.3 – Employment and vacancies by critical occupation, @ 31 March 2012

| Critical occupations | Number of posts | Number of posts filled | Vacancy Rate | Number of posts filled additional to the establishment |
|----------------------|-----------------|------------------------|--------------|--|
| Engineer | 32 | 7 | 78.1 | 0 |
| Architect | 31 | 10 | 67.7 | 0 |
| Quantity Survey | 21 | 6 | 71.4 | 0 |
| Project Manager | 63 | 16 | 74.6 | 0 |
| Total | 147 | 39 | 73.5 | 0 |

4. Job Evaluation

The Public Service Regulations, 1999 introduced job evaluation as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled. This was complemented by a decision by the Minister for the Public Service and Administration that all SMS jobs must be evaluated before 31 December 2002.

The following table (Table 4.1) summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

TABLE 4.1 – Job Evaluation, 1 April 2011 to 31 March 2012

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

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| Salary band | Number of posts | Number of Jobs Evaluated | % of posts evaluated by salary bands | Posts Upgraded | | Posts downgraded | |
|--|-----------------|--------------------------|--------------------------------------|----------------|----------------------|------------------|----------------------|
| | | | | Number | % of posts evaluated | Number | % of posts evaluated |
| Lower skilled (Levels 1-2) | 429 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (1-2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (3-5) | 9 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (6-8) | 17 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (9-12) | 35 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (Levels 13-16) | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Skilled (Levels 3-5) | 617 | 0 | 0 | | 0 | 0 | 0 |
| Highly skilled production (Levels 6-8) | 585 | 32 | 5.5 | 4 | 8.5 | 0 | 0 |
| Highly skilled supervision (Levels 9-12) | 287 | 15 | 5.2 | 0 | 0 | 0 | 0 |
| Senior Management Service Band A | 24 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior Management Service Band B | 2 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior Management Service Band C | 4 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior Management Service Band D | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 2011 | 47 | 2.3 | 4 | 8.5 | 0 | 0 |

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TABLE 4.2 – Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2011 to 31 March 2012

| Beneficiaries | African | Asian | Coloured | White | Total |
|-----------------------------|---------|-------|----------|-------|-------|
| Female | 0 | 0 | 0 | 0 | 0 |
| Male | 0 | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 0 | 0 | 0 |
| Employees with a disability | | | | | 0 |

The following table summarises the number of cases where remuneration levels exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

TABLE 4.3 – Employees whose salary level exceeds the graded determined by job evaluation, 1 April 2011 to 31 March 2012 (in terms of PSR 1.V.C.3)

| Occupation | Number of employees | Job evaluation level | Remuneration level | Reason for deviation |
|---|---------------------|----------------------|--------------------|----------------------|
| Xxx | | | | |
| Xxx | None | | | |
| Xxx | | | | |
| Xxx | | | | |
| Total Number of Employees whose salaries exceeded the level determined by job evaluation in 2010/11 | | | | |
| Percentage of total employment | | | | |
| | | | | |

Table 4.4 summarises the beneficiaries of the above in terms of race, gender, and disability.

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TABLE 4.4 – Profile of employees whose salary level exceed the grade determined by job evaluation, 1 April 2011 to 31 March 2012 (in terms of PSR 1.V.C.3)

| Beneficiaries | African | Asian | Coloured | White | Total |
|---------------|----------|----------|----------|----------|----------|
| Female | 0 | 0 | 0 | 0 | 0 |
| Male | 0 | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 0 | 0 | 0 |

| | |
|-----------------------------|----------|
| Employees with a disability | 0 |
|-----------------------------|----------|

[If there were no cases where the remuneration bands exceeded the grade determined by job evaluation, use the following table as TABLE 4.3]

| | |
|---|----------|
| Total Number of Employees whose salaries exceeded the grades determined by job evaluation in 2011/12 | 0 |
|---|----------|

5. Employment Changes

This section provides information on changes in employment over the financial year.

Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band (Table 5.1) and by critical occupations (Table 5.2). (These "critical occupations" should be the same as those listed in Table 3.3).

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**TABLE 5.1 – Annual turnover rates by salary band for the period 1 April
2011 to 31 March 2012**

| Salary Band | Number of employees per band as on 1 April 2011 | Appointments and transfers into the department | Terminations and transfers out of the department | Turnover rate |
|---|--|---|---|----------------------|
| Lower skilled (Levels 1-2) | 527 | 0 | 26 | 4.9 |
| Skilled (Levels 3-5) | 660 | 47 | 33 | 4.6 |
| Highly skilled production(Levels 6- 8) | 530 | 104 | 38 | 5.9 |
| Highly skilled supervision(Levels 9-12) | 235 | 57 | 23 | 7.9 |
| Senior Management Service Band A | 21 | 3 | 1 | 4.2 |
| Senior Management Service Band B | 2 | 0 | 0 | 0 |
| Senior Management Service Band C | 3 | 0 | 1 | 33.3 |
| Senior Management Service Band D | 0 | 0 | 0 | 0 |
| Contract (1- 2)Permanent | 4 | 0 | 8 | 200 |
| Contract (3-5) Permanent | 64 | 0 | 97 | 161 |
| Contract (6-8) Permanent | 18 | 0 | 10 | 55.6 |

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| | | | | |
|--------------------------------------|-------------|------------|------------|-------------|
| Contract (9-12) Permanent | 28 | 0 | 3 | 10.7 |
| Contract (13-16) | 0 | 0 | 0 | 0 |
| Total | 2092 | 211 | 240 | 10.3 |

T/over rate : No of employees + Appointments = X = No of terminations / x

TABLE 5.2 – Annual turnover rates by critical occupation for the period 1 April 2011 to 31 March 2012

| Occupation: | Number of employees per occupation as on 1 April 2010 | Appointments and transfers into the department | Terminations and transfers out of the department | Turnover rate |
|--------------------|--|---|---|----------------------|
| Engineer | 7 | 4 | 0 | 0 |
| Architect | 10 | 3 | 0 | 0 |
| Quantity Surveyor | 6 | 2 | 0 | 0 |
| Project Manager | 16 | 2 | 4 | 22.2 |
| | | | | |
| Total | 39 | 11 | 4 | 8 |

Table 5.3 identifies the major reasons why staff left the department.

Table 5.3 – Reasons why staff are leaving the department

| Termination Type | Number | % of total Terminations | % of Total Employment | Total | Total Employment |
|-------------------------|---------------|--------------------------------|------------------------------|--------------|-------------------------|
| Death | 21 | 8.8 | 1 | 240 | 2093 |
| Resignation | 22 | 9.2 | 1.1 | 240 | 2093 |

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| | | | | | |
|---|-----|------|------|-----|------|
| Expiry of Contract | 121 | 50.4 | 5.8 | 240 | 2093 |
| Discharged due to ill-health | 4 | 1.7 | 0.2 | 240 | 2093 |
| Dismissal – misconduct | 0 | 0 | 0 | 240 | 2093 |
| Retirement | 42 | 17.5 | 2 | 240 | 2093 |
| Transfers Out | 30 | 12.5 | 1.4 | 240 | 2093 |
| Total | 240 | | 11.5 | 240 | 2093 |
| Total number of employees who left as a % of the total employment | | 11.5 | | | 240 |

Table 5.4 – Granting of Employee Initiated Severance Packages

| | | | | | |
|---|----------|----------|----------|----------|----------|
| Category | | | | | |
| Lower skilled (Levels 1-2) | | | | | |
| Skilled(Levels 3-5) | | | | | |
| Highly skilled product (Levels 6-8) | | | | | |
| Highly skilled supervision (Levels9-12) | | | | | |
| Total | 0 | 0 | 0 | 0 | 0 |

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Table 5.5 – Promotions by critical occupation

| Occupation | Employees as at 1 April 2011 | Promotions to another salary level | Salary level promotions as a % of employees by occupation | Progressions to another notch within a salary level | Notch progressions as a % of employees by occupation |
|-------------------|-------------------------------------|---|--|--|---|
| Engineer | | | | | |
| Architect | | NONE | | | |
| Quant Surv | | | | | |
| Project Managers | | | | | |
| Total | | | | | |

Table 5.6 – Promotions by salary band

| Salary Band | Employees 1 April 2011 | Promotions to another salary level | Salary bands promotions as a % of employees by salary level | Progressions to another notch within a salary level | Notch progressions as a % of employees by salary band |
|---|-------------------------------|---|--|--|--|
| Lower skilled (Levels 1-2) | 527 | 0 | 0 | 99 | 18.8 |
| Skilled(Levels 3-5) | 660 | 35 | 5.3 | 678 | 100 |
| Highly skilled product (Levels 6-8) | 530 | 45 | 8.5 | 387 | 71.4 |
| Highly skilled supervision (Levels9-12) | 235 | 27 | 11.5 | 121 | 51.5 |

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| | | | | | |
|----------------------------------|-------------|------------|------------|-------------|-------------|
| Snr management (Levels 13-16) | 26 | 0 | 0 | 20 | 76.9 |
| Contract (Levels 1-2) | 4 | 0 | 0 | 0 | 0 |
| Contract (Levels 3-5) | 64 | 0 | 0 | 43 | 71.7 |
| Contract (Levels 6-8) | 18 | 0 | 0 | 0 | 0 |
| Contract (Levels 9-12) | 28 | 0 | 0 | 1 | 0 |
| Contract (Levels 13-16) | 0 | 0 | 0 | 0 | 0 |
| Total | 2092 | 107 | 5.1 | 1349 | 63.7 |

6. Employment Equity

The tables in this section are based on the formats prescribed by the Employment Equity Act, 55 of 1998.

6.1 – Total number of employees (including employees with disabilities) in each of the following occupational categories as at 31 March 2012

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| Occupational categories (SASCO) | Male | | | | Female | | | | Total |
|---|-------------|-----------|-----------|-----------|------------|----------|-----------|-----------|-------------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Legislators, senior officials and managers | 16 | 0 | 6 | 2 | 3 | 0 | 2 | 1 | 30 |
| Professionals | 43 | 1 | 8 | 13 | 35 | 0 | 4 | 5 | 109 |
| Technicians and assoc | 101 | 2 | 11 | 10 | 139 | 3 | 21 | 23 | 310 |
| Clerks | 116 | 0 | 14 | 1 | 256 | 5 | 27 | 26 | 445 |
| Service and sales workers | 163 | 0 | 1 | 2 | 29 | 0 | 0 | 0 | 195 |
| Craft and related trades workers | 192 | 10 | 16 | 22 | 50 | 0 | 0 | 0 | 290 |
| Plant and machine operators and assemblers | 65 | 1 | 3 | 0 | 1 | 0 | 0 | 0 | 70 |
| Elementary occupations | 428 | 0 | 6 | 0 | 180 | 0 | 0 | 0 | 614 |
| Other Perm | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Total | 1124 | 14 | 65 | 50 | 693 | 8 | 54 | 55 | 2063 |
| Employees with disabilities | 05 | 0 | 0 | 02 | 02 | 0 | 0 | 01 | 10 |

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6.2 – Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2012

| Occupational Bands | Male | | | | Female | | | | Total |
|---|---------|----------|--------|-------|---------|----------|--------|-------|-------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Top Management | 2 | 0 | 2 | 1 | 1 | 0 | 0 | 0 | 6 |
| Senior Management | 14 | 0 | 4 | 1 | 2 | 0 | 2 | 1 | 24 |
| Professionally qualified and experienced specialists and mid-management | 118 | 4 | 15 | 27 | 68 | 1 | 11 | 10 | 254 |
| Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents | 223 | 07 | 24 | 18 | 234 | 05 | 29 | 35 | 575 |
| Semi-skilled and discretionary decision making | 406 | 02 | 17 | 0 | 202 | 02 | 10 | 7 | 646 |
| Unskilled and defined decision making | 332 | 0 | 01 | 01 | 161 | 0 | 0 | 1 | 496 |
| Contract(Senior Management) Permanent | 01 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Contract (Prof qualified) | 18 | 0 | 0 | 02 | 12 | 0 | 2 | 1 | 35 |
| Contract (Skilled tech) | 7 | 01 | 02 | 0 | 07 | 0 | 0 | 0 | 17 |

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for the year ended 31 March 2012

| | | | | | | | | | |
|-------------------------|-------------|-----------|-----------|-----------|------------|-----------|-----------|-----------|-------------|
| | | | | | | | | | |
| Contract (Semi skilled) | 03 | 0 | 0 | 0 | 06 | 0 | 0 | 0 | 9 |
| Contract (Unskilled) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 1124 | 14 | 65 | 50 | 693 | 08 | 54 | 55 | 2063 |

6.3 – Recruitment for the period 1 April 2011 to 31 March 2012

| Occupational Bands | Male | | | | Female | | | | Total |
|---|---------|----------|--------|-------|---------|----------|--------|-------|-------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Senior Management | 1 | 0 | 0 | 0 | 0 | 0 | 1 | 1 | 3 |
| Professionally qualified and experienced specialists and mid-management | 27 | 0 | 1 | 4 | 20 | 1 | 3 | 1 | 57 |
| Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents | 59 | 0 | 1 | 0 | 81 | 1 | 5 | 2 | 149 |

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| | | | | | | | | | |
|--|-----------|----------|----------|----------|------------|----------|----------|----------|------------|
| Semi-skilled and discretionary decision making | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| Contract (Senior Management) Permanent | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract(Professionally Qualified)Permanent | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (Skilled Technical) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract Semi-Skilled)Permanent | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 89 | 0 | 2 | 4 | 101 | 2 | 9 | 4 | 211 |

| | | | | | | | | | |
|------------------------------------|-----------|----------|----------|-----------|-----------|----------|----------|----------|----------|
| Employees with disabilities | 04 | 0 | 0 | 01 | 02 | 0 | 0 | 0 | 0 |
|------------------------------------|-----------|----------|----------|-----------|-----------|----------|----------|----------|----------|

6.4 – Promotions for the period 1 April 2011 to 31 March 2012

| Occupational Bands | Male | | | | Female | | | | Total |
|--------------------|---------|----------|--------|-------|---------|----------|--------|-------|-------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Top Management | 01 | 0 | 01 | 0 | 0 | 0 | 0 | 0 | 2 |

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| | | | | | | | | | |
|---|------------|-----------|-----------|-----------|------------|----------|-----------|-----------|-------------|
| Senior Management | 13 | 0 | 02 | 01 | 02 | 0 | 0 | 2 | 20 |
| Professionally qualified and experienced specialists and mid-management | 62 | 02 | 11 | 13 | 45 | 01 | 10 | 4 | 148 |
| Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents | 184 | 06 | 15 | 15 | 169 | 04 | 20 | 22 | 435 |
| Semi-skilled and discretionary decision making | 484 | 02 | 13 | 01 | 256 | 01 | 8 | 6 | 771 |
| Unskilled and defined decision making | 70 | 0 | 0 | 0 | 29 | 0 | 0 | 0 | 99 |
| Contract (Professionally qualified) Permanent | 01 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Contract (Semi-skilled) Permanent | 16 | 0 | 0 | 0 | 27 | 0 | 0 | 0 | 43 |
| Total | 831 | 10 | 42 | 30 | 528 | 6 | 38 | 34 | 1519 |

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| | | | | | | | | | |
|-----------------------------|----|---|---|----|----|---|---|---|---|
| Employees with disabilities | 04 | 0 | 0 | 01 | 02 | 0 | 0 | 0 | 7 |
|-----------------------------|----|---|---|----|----|---|---|---|---|

6.5 – Terminations for the period 1 April 2011 to 31 March 2012

| Occupational Bands | Male | | | | Female | | | | Total |
|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Top Management | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 1 |
| Senior Management | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| Professionally qualified and experienced specialists and mid-management | 12 | 0 | 0 | 1 | 5 | 1 | 1 | 0 | 20 |
| Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents | 25 | 0 | 2 | 1 | 23 | 1 | 1 | 2 | 55 |
| Semi-skilled and discretionary decision making | 5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5 |
| Unskilled and defined decision making | 39 | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 41 |
| Contract (Senior Management) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

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| | | | | | | | | | |
|--|------------|----------|----------|----------|-----------|----------|----------|----------|------------|
| Perm | | | | | | | | | |
| Contract (Prof qualified) Permanent | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (Skilled technician) Permanent | 45 | 0 | 1 | 0 | 64 | 0 | 5 | 1 | 116 |
| Contract (Semi-skilled) Permanent | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Total | 127 | 0 | 3 | 3 | 95 | 2 | 7 | 3 | 240 |
| Employees with disabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

6.6 – Disciplinary action for the period 1 April 2011 to 31 March 2012

| | Male | | | | Female | | | | |
|---------------------------------|----------------|-----------------|---------------|--------------|----------------|-----------------|---------------|--------------|--------------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | Total |
| Final written warning | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 |
| Written Warning | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 |
| Correctional Counselling | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Verbal Warning | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Suspended Without pay | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |

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| | | | | | | | | | |
|-----------------------|-----------|----------|----------|----------|----------|----------|----------|----------|-----------|
| Fine) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Demotion | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dismissal | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Not guilty | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Case withdrawn | 10 | 0 | 0 | 3 | 2 | 0 | 0 | 0 | 15 |
| Total | 19 | 0 | 0 | 3 | 2 | 0 | 0 | 0 | 24 |

6.7 – Skills development for the period 1 April 2011 to 31 March 2012

| Occupational categories | Male | | | | Female | | | | Total |
|--|----------------|-----------------|---------------|--------------|----------------|-----------------|---------------|--------------|--------------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Legislators, senior officials and managers | 65 | 0 | 9 | 9 | 82 | 0 | 14 | 10 | 189 |
| Professionals | 20 | 0 | 5 | 4 | 5 | 0 | 1 | 5 | 40 |
| Technicians and associate professionals | 18 | 0 | 6 | 2 | 10 | 0 | 0 | 0 | 36 |
| Clerks | 103 | 0 | 23 | 20 | 212 | 12 | 16 | 16 | 402 |
| Servants & sales workers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Skilled agriculture & fishery workers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

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| | | | | | | | | | |
|--|------------|----------|-----------|-----------|------------|-----------|-----------|-----------|------------|
| Craft and related trades workers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Plant and machine operators and assemblers | 1 | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 3 |
| Elementary occupations | 60 | 0 | 0 | 0 | 10 | 0 | 0 | 0 | 70 |
| Total | 267 | 0 | 43 | 35 | 321 | 12 | 31 | 31 | 740 |

7. Performance Rewards

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, and disability (Table 6.1), salary bands (table 6.2) and critical occupations (Table 6.3).

TABLE 7.1 – Performance Rewards by race, gender, and disability, 01/04/2011 – 31/03/2012

| | Beneficiary Profile | | | Cost | |
|-----------------|-------------------------|------------------------------------|-------------------------|---------------|---------------------------|
| | Number of beneficiaries | Total number of employees in group | % of total within group | Cost (Actual) | Average cost per employee |
| African Female | 05 | 693 | 0.7 | 58 | 11.595 |
| African Male | 04 | 1124 | 0.4 | 78 | 19.623 |
| Asian Female | 01 | 54 | 1.9 | 5 | 4.606 |
| Asian Male | 0 | 65 | 0 | 0 | 0 |
| Coloured Female | 0 | 8 | 0 | 0 | 0 |
| Coloured Male | 0 | 14 | 0 | 0 | 0 |
| White Female | 01 | 55 | 1.7 | 14 | 14.287 |

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| | | | | | |
|-----------------------------|-----------|-------------|------------|------------|---------------|
| White Male | 0 | 50 | 0 | 0 | 0 |
| Employees with a disability | 0 | 10 | 0 | 0 | 0 |
| Total | 11 | 2063 | 0.5 | 155 | 14.123 |

TABLE 7.2 – Performance Rewards by salary bands for personnel below Senior Management Service, 1 April 2011 to 31 March 2012

| Salary Bands | Beneficiary Profile | | | Cost | | |
|--|-------------------------|---------------------|--------------------------------|--------------------|---------------------------|--|
| | Number of beneficiaries | Number of employees | % of total within salary bands | Total Cost (R'000) | Average cost per employee | Total cost as a % of the total personnel expenditure |
| Lower skilled (Levels 1-2) | 0 | 496 | 0 | 0 | 0 | 0 |
| Skilled (Levels 3-5) | 01 | 646 | 0.2 | 14 | 14,000 | 0.004 |
| Highly skilled production (Levels 6-8) | 05 | 575 | 0.9 | 44 | 8,800 | 0.01 |
| Highly skilled supervision (Levels 9-12) | 04 | 254 | 1.6 | 56 | 14,333 | 0.1 |
| Contract (Level 1-2) | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (Level 3-5) | 0 | 9 | 0 | 0 | 0 | 0 |
| Contract (Level 6-8) | | 17 | | | | 0 |

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| | | | | | | |
|-------------------------|-----------|-------------|------------|------------|---------------|--------------|
| | 0 | | 0 | 0 | 0 | |
| Contract (Level 9-12) | 0 | 35 | 0 | 0 | 0 | 0 |
| Periodical Remuneration | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 10 | 2032 | 0.5 | 114 | 11,400 | 0.002 |

TABLE 7.3 – Performance Rewards by critical occupations, 1 April 2011 to 31 March 2012

| Critical Occupations | Beneficiary Profile | | | Cost | |
|----------------------|-------------------------|---------------------|------------------------------|--------------------|---------------------------|
| | Number of beneficiaries | Number of employees | % of total within occupation | Total Cost (R'000) | Average cost per employee |
| Engineer | | | | | |
| Architect | | None | | | |
| Quant Surv | | | | | |
| Wks Insp | | | | | |
| Total | | | | | |

TABLE 7.4 – Performance related rewards (cash bonus), by salary band, for Senior Management Service

| Salary Band | Beneficiary Profile | | | | | | |
|-------------|-------------------------|---------------------|------------------------|--------------------|--------------------|--|---------------------------|
| | Number of beneficiaries | Number of employees | % of total within band | Total Cost (R'000) | % of SMS Wage Bill | Total cost as a % of the total personnel expenditure | Personnel cost SMS(R'000) |
| Band A | 01 | 24 | 4.2 | 41 | 0.2 | 0.01 | 21,414 |

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| | | | | | | | |
|-------|----|----|-----|----|-----|------|--------|
| Total | 01 | 29 | 3.4 | 41 | 0.9 | 3300 | 21.414 |
|-------|----|----|-----|----|-----|------|--------|

8. Foreign Workers

The tables below summarise the employment of foreign nationals in the department in terms of salary bands and by major occupation. The tables also summarise changes in the total number of foreign workers in each salary band and by each major occupation.

TABLE 8.1 – Foreign Workers, 1 April 2011 to 31 March 2012, by salary band

| Salary Band | 1 April 2011 | | 31 March 2012 | | Change | | Total Employment @Beginning of Period | Total Employment at End of period | Total Change in Employment |
|--|--------------|------------|---------------|------------|--------|----------|---------------------------------------|-----------------------------------|----------------------------|
| | Number | % of total | Number | % of total | Number | % change | | | |
| Lower skilled (Levels 1-2) | | | | | | | | | |
| Skilled (Levels 3-5) | | | | | | | | | |
| Highly skilled production (Levels 6-8) | | | | | | | | | |
| Highly skilled supervision (Levels 9-12) | 2 | 28.6 | 2 | 50 | 0 | 0 | 7 | 4 | -3 |
| Senior management (Levels 13-16) | 1 | 14.3 | 1 | 25 | 0 | 0 | 7 | 4 | -3 |
| Contract (Levels 6-8) | 0 | 0 | 1 | 25 | 1 | -33.3 | 7 | 4 | -3 |

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for the year ended 31 March 2012

| | | | | | | | | | |
|------------------------|----------|------------|----------|------------|-----------|------------|-----------|-----------|------------|
| Contract (Levels 9-12) | 4 | 57.1 | 0 | 0 | -4 | 133.3 | 7 | 4 | -3 |
| Total | 7 | 100 | 4 | 100 | -3 | 100 | 28 | 16 | -12 |

TABLE 8.2 – Foreign Worker, 1 April 2011 to 31 March 2012, by major occupation

| Major Occupation | 1 April 2010 | | 31 March 2011 | | Change | | | | |
|---|--------------|------------|---------------|------------|-----------|------------|-----------|----------|-----------|
| | Number | % of total | Number | % of total | Number | % change | Total | Total | Total |
| <u>Professionals and managers</u> | 7 | 100 | 3 | 75 | -4 | 133.3 | 7 | 4 | -3 |
| <u>Technicians and associated professionals</u> | 0 | 0 | 1 | 25 | 1 | -33.3 | 7 | 4 | -3 |
| <u>Total</u> | 7 | 100 | 4 | 100 | -3 | 100 | 14 | 8 | -6 |
| | | | | | | | | | |

9. Leave utilization for the period 1 January 2011 to 31 March 2012

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave (Table 9.1) and disability leave (Table 9.2). In both cases, the estimated cost of the leave is also provided.

TABLE 9.1 – Sick leave, 1 January 2011 to 31 December 2011

| Salary Band | Total days | % days with medical certification | Number of Employees using sick leave | % of total employees using sick leave | Average days per employee | Estimated Cost (R'000) | Total number of employees using sick leave | Total number of days with medical certification |
|-------------|------------|-----------------------------------|--------------------------------------|---------------------------------------|---------------------------|------------------------|--|---|
| | | | | | | | | |

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| | | | | | | | | |
|---|---------------|-------------|-------------|------------|----------|--------------|-------------|---------------|
| Lower skilled (Levels 1-2) | 2642 | 93.2 | 306 | 20.3 | 9 | 647 | 1505 | 2463 |
| Skilled (Levels 3-5) | 4367 | 86.8 | 495 | 32.9 | 9 | 1,315 | 1506 | 3792 |
| Highly Skilled production(levels 6-8) | 4133 | 86.1 | 460 | 30.5 | 9 | 2,372 | 1506 | 3559 |
| Highly Skilled Production (levels 9-12) | 1478 | 85.5 | 186 | 12.4 | 8 | 1,791 | 1506 | 1263 |
| Senior management (levels 13-16) | 99 | 93.9 | 14 | 0.9 | 7 | 258 | 1506 | 93 |
| Contract (Levels 1- 2) | 3 | 100 | 1 | 0.1 | 3 | 1 | 1506 | 3 |
| Contract (Levels 3- 5) | 55 | 80 | 17 | 1.1 | 3 | 18 | 1506 | 44 |
| Contract (Levels 6- 8) | 89 | 95.5 | 10 | 0.7 | 9 | 46 | 1506 | 85 |
| Contract (Levels 9- 12) | 69 | 72.5 | 17 | 1.1 | 4 | 79 | 1506 | 50 |
| Total | 12,935 | 87.8 | 1506 | 100 | 9 | 6,527 | 1506 | 11,352 |

TABLE 9.2 – Disability leave (temporary and permanent), 1 January 2011 to 31 December 2011

| Salary Band | Total days taken | % days with medical certification | Number of Employees using disability leave | % of total employees using disability leave | Average days per employee | Estimated Cost (R'000) | Total | Total |
|-------------|---------------------|---|--|---|---------------------------------|------------------------------|-------|-------|
| | | | | | | | | |

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| | | | | | | | | |
|--|-------------|------------|------------|------------|------------|-------------|-------------|------------|
| Lower skilled (Levels 1-2) | 1242 | 100 | 36 | 23.8 | 35 | 307 | 1242 | 151 |
| Skilled (Levels 3-5) | 1118 | 100 | 47 | 31.1 | 24 | 329 | 1118 | 151 |
| Highly skilled production (Levels 6-8) | 1625 | 100 | 56 | 37.1 | 29 | 923 | 1625 | 151 |
| Highly skilled supervision (Levels 9-12) | 494 | 100 | 9 | 6 | 55 | 938 | 494 | 151 |
| Snr management (Levels 13-16) | 21 | 100 | 3 | 2 | 7 | 54 | 21 | 151 |
| Total | 4500 | 100 | 151 | 100 | 150 | 2551 | 4500 | 151 |

Table 9.3 summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

TABLE 9.3 – Annual Leave, 1 January 2011 to 31 December 2011

| Salary Bands | Total days taken | Average per employee | Number of Employees who took leave |
|----------------------------|-------------------------|-----------------------------|---|
| Lower skilled (Levels 1-2) | 10,980 | 23 | 481 |
| Skilled Levels 3-5) | 14,666.32 | 22 | 672 |

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| | | | |
|---|------------------|------------|-------------|
| Highly skilled production (Levels 6-8) | 12,391.48 | 21 | 578 |
| Highly skilled supervision(Levels 9-12) | 4,688.92 | 18 | 257 |
| Senior management (Levels 13-16) | 607.92 | 21 | 29 |
| Contract (Levels 1-2) | 9 | 3 | 3 |
| Contract (Levels 3-5) | 156 | 6 | 26 |
| Contract (Levels 6-8) | 172 | 12 | 14 |
| Contract (Levels 9-12) | 337 | 10 | 34 |
| Total | 44,008.64 | 136 | 2094 |

TABLE 9.4 – Capped leave, 1 January 2011 to 31 December 2011

| Salary Bands | Total days of capped leave taken | Average number of days taken per employee | Average capped leave per employee as at 30/09/2011 | Number of employees who took Capped leave | Total number of capped leave available as at 31/12/2011 | Number of employees as at 31/12/2011 |
|---|----------------------------------|---|--|---|---|--------------------------------------|
| Lower skilled (Levels 1-2) | 137 | 10 | 79 | 14 | 29,248 | 372 |
| Skilled Levels 3-5) | 18 | 3 | 96 | 7 | 45,136 | 472 |
| Highly skilled production (Levels 6-8) | 228 | 10 | 111 | 23 | 39,874 | 358 |
| Highly skilled supervision(Levels 9-12) | 11 | 4 | 85 | 3 | 7,555 | 89 |

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| | | | | | | |
|--------------|------------|-----------|------------|-----------|-----------------|--------------|
| Total | 394 | 27 | 371 | 47 | 121, 813 | 1 291 |
|--------------|------------|-----------|------------|-----------|-----------------|--------------|

TABLE 9.5 – Leave payouts for the period 1 April 2011 to 31 March 2012

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

| REASON | Total Amount (R'000) | Number of Employees | Average payment per employee |
|---|---------------------------------|--------------------------------|---|
| Leave payout for 2011/12 due to non-utilisation of leave for the previous cycle | 0 | 0 | 0 |
| Capped leave payouts on termination of service for 2011/12 | 827 | 99 | 8,354 |
| Current leave payout on termination of service for 2011/12 | 140 | 15 | 9,333 |
| | | | |
| Total | 967 | 114 | 17,687 |

10. HIV/AIDS & Health Promotion Programmes

TABLE 10.1 – Steps taken to reduce the risk of occupational exposure

| Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any) | Key steps taken to reduce the risk |
|--|---|
| Staff between salary levels 1-7 involved in the line function i.e. workshop staff, grass cutters, cleaners, due to accidents which | Safety training has been conducted for staff. Ensuring that Regions have dedicated Safety Officers to ensure safe work practices and |

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| | |
|--|--|
| may occur on site. | procedures. |
| All professional and technical staff that interacts with this vulnerable group is at risk for exposure to TB and also to other occupational hazards. | Provision of protective clothing first aid kits. Provision of Safety Equipment to all professional staff and undertake safety training for professionals which has commenced and will continue. |

TABLE 10.2 – Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide

| TABLE 10.2-Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide | | | |
|--|-----|----|---|
| Question | Yes | No | Details, if yes |
| 1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of The Public Service Regulations, 2001? If so, provide her/his name and position. | v | | Mrs BJN Makhaye: HRM Senior Manager |
| 2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose. | v | | 7 staff members within the EHW Division, including the regions and the Deputy Manager. Financial restrictions, no budget allocated. |

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| | | | |
|--|----------|--|---|
| <p>3. Has the department introduced an Employee Health and Wellness or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.</p> | <p>√</p> | | <p>Employee Wellness Management (iro all chronic illnesses)</p> <p>HIV/AIDS and TB Management</p> <p>Health & Productivity Management iro bereavement, personal problems, stress, rehabilitation, financial wellness, etc.</p> <p>SHERQ, e.g. medical surveillance</p> |
| <p>4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.</p> | <p>√</p> | | <p>Mrs BJN Makhaye (Chairperson) Human Resources Manager Ms L Mtolo: DM: EHW;</p> <p>Mr Nzimande (Dep. Man: Labour Relations; Organised Labour; Regional Representatives (from 4 regions- Assist Man: HR i.e. Midland Region Rep,</p> <p>Mr M Mkhonza, Ms J Nel, Mr S Xulu, Mr Mgobozi Dep. Man: HRSS; Mr Atwaru Dep. Man: HREP.; Ms N Khumalo EHW Practitioner (Head Office); Ms</p> <p>D Hlongwane EHW Practitioner (Midlands); Mr M Dlamini (EThekwini); Ms CG Sikhakhane(NCR); Ms N Mlotshwa (Southern Region)</p> |
| <p>5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices.</p> | <p>√</p> | | <p>EHWP, HIV and AIDS Workplace Policy, Recruitment Policy.</p> |

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| | | |
|--|---|--|
| 6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures. | ✓ | Use of reference numbers for each employee instead of the name. Use of these numbers on all documentation and even on itineraries for use of vehicles to take employees to Doctors. Awareness training for all staff members to break the stigma and consequent discrimination. |
| 7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved. | ✓ | Employees have eagerly come forward to enrol on the EHWP for medical assistance with positive results also encourage level 1-5 employees to become members of GEMS to access free Aid for AIDS- HIV/AIDS management programme. Sapphire Membership. EHW component coordinates Departmental HCT campaigns on quarterly basis in partnership with GEMS. |

11. Labour Relations

The following collective agreements were entered into with trade unions within the department.

TABLE 11.1 – Collective agreements, 1 April 2011 to 31 March 2012

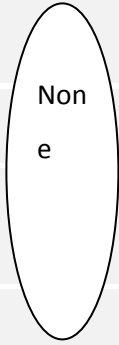
| Subject Matter | Date |
|---|------|
| Dispute Resolution Proceeding | |
| Roles of Conduct of Proceeding before PSCBC | |

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| | |
|---|---|
| Long Service Reward | |
| Establishment of Provincial Chambers of PSCBC |  |
| Agency Shop Agreement | |
| Appointment of a period of arbitrators and conciliators | |
| | |
| | |

If there were no agreements, then use the following table

| | |
|------------------------------------|------------|
| Total collective agreements | NIL |
|------------------------------------|------------|

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

TABLE 11.2 – Misconduct and disciplinary hearings finalised, 1 April 2011 to 31 March 2012

| Outcomes of disciplinary hearings | Number | % of total |
|-----------------------------------|--------|------------|
| Final written warning | 3 | 12.5 |
| No outcome | 0 | 0 |
| Suspended without pay | 2 | 8.3 |
| Written warning | 3 | 12.5 |
| Verbal warning | 0 | 0 |

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| | | |
|---------------------------------|-----------|------------|
| Correctional counselling | 0 | 0 |
| Fine | 0 | 0 |
| Demotion | 0 | 0 |
| Dismissal | 1 | 4.1 |
| Not guilty | 0 | 0 |
| Case withdrawn | 15 | 62.5 |
| Total | 24 | 100 |

If there were no disciplinary hearings, then use the following table

| | |
|--|------------|
| Disciplinary hearings – 2011/12 | N/a |
|--|------------|

TABLE 11.3 – Types of misconduct addressed at disciplinary hearings

| Type of misconduct | Number | % of total |
|---|---------------|-------------------|
| Negligence | 1 | 14 |
| Intimidating Threats | 0 | 0 |
| Unsatisfactory work performance | 0 | |
| Coming to work under influence of alcohol | 0 | 0 |
| Use of abusive language | 1 | 14 |
| Abuse of State equipment viz. | 1 | 14 |

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| | | |
|---|----------|------------|
| Telephone | | |
| Failure to adhere to official hours | 0 | 0 |
| Failure to comply with leave procedure | 0 | 0 |
| Failure to comply with given instructions | 1 | 14 |
| Failure to attend a counselling session | 0 | 0 |
| Unauthorized absence | 3 | 43 |
| Theft | 0 | 0 |
| Social grant | 0 | |
| Total | 7 | 100 |

TABLE 11.4 – Grievances lodged for the period 1 April 2011 to 31 March 2012

| | Number | % of Total |
|--------------------------------------|---------------|-------------------|
| Number of grievances resolved | 15 | 78.90 |
| Number of grievances not resolved | 4 | 21.1 |
| | | |
| Total | 19 | 100 |

TABLE 11.5 – Disputes lodged with Councils for the period 1 April 2011 to 31 March 2012

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| | Number | % of Total |
|------------------------------|----------|------------|
| Number of disputes upheld | 0 | 0 |
| Number of disputes dismissed | 0 | 0 |
| Disputes pending | 4 | 100 |
| Total | 4 | 100 |

TABLE 11.6 – Strike actions for the period 1 April 2011 to 31 March 2012

| | |
|--|-------------------------|
| Total number of person working days lost | 14 |
| Total cost (R'000) of working days lost | Still to be implemented |
| Amount (R'000) recovered as a result of no work no pay | Still to be implemented |

TABLE 11.7 – Precautionary suspensions – 01/04/ 2011 to 31/03/2012

| | |
|--|---|
| Number of people suspended | 0 |
| Number of people whose suspension exceeded 30 days | 0 |
| Average number of days suspended | 0 |
| Cost (R'000) of suspensions | 0 |

12. Skills development:

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

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12.1 – Training needs identified 1 April 2011 to 31 March 2012

| Occupational Categories | Gender | Number of employees as at 1 April 2011 | Training needs identified at start of reporting period | | | |
|--|--------|--|--|---|-------------------------|-------|
| | | | Learnerships | Skills Programmes & other short courses | Other forms of training | Total |
| Legisl, snr offs and managers | Female | 12 | 0 | 41 | 0 | 19 |
| | Male | 15 | 0 | 102 | 0 | 102 |
| Professionals | Female | 56 | 0 | 5 | 0 | 5 |
| | Male | 65 | | | | |
| Technicians & assoc prof. | Female | 109 | 0 | 11 | 0 | 11 |
| | Male | 97 | | | | |
| Clerks | Female | 383 | 0 | 248 | 0 | 248 |
| | Male | 146 | 0 | 137 | 0 | 137 |
| Community and personal service workers | Female | 30 | 0 | 3 | 0 | 3 |
| | Male | 175 | 0 | 9 | 0 | 9 |
| Skilled agric & fish workers | Female | 0 | 0 | 0 | 0 | 0 |
| | Male | 0 | 0 | 0 | 0 | 0 |
| Craft and Related Trade Workers | Female | 44 | 0 | 0 | 0 | 0 |
| | Male | 236 | 0 | 0 | 0 | 0 |
| Plant & mach oper & assem | Female | 5 | 0 | 4 | 0 | 4 |
| | Male | 77 | 0 | 21 | 0 | 21 |

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| | | | | | | |
|------------------------|--------|-------------|-----------|------------|----------|------------|
| Elementary occupations | Female | 172 | 0 | 78 | 0 | 78 |
| | Male | 470 | 0 | 159 | 0 | 159 |
| Sub Total | Female | 811 | 0 | 390 | 0 | 390 |
| | Male | 1281 | 0 | 521 | 0 | 521 |
| Total | | 2092 | 02 | 121 | 0 | 121 |

12.2 – Training provided 1 April 2011 to 31 March 2012

| Occupational Categories | Gender | Number of employees as at 1 April 2011 | Training provided within the reporting period | | | |
|--|--------|--|---|---|-------------------------|-------|
| | | | Learnerships | Skills Programmes & other short courses | Other forms of training | Total |
| Legislators, senior officials and managers | Female | 12 | 0 | 106 | 0 | 106 |
| | Male | 15 | 0 | 83 | 0 | 83 |
| Professionals | Female | 56 | 0 | 11 | 0 | 11 |
| | Male | 65 | 0 | 29 | 0 | 29 |
| Technicians and associate professionals | Female | 109 | 0 | 10 | 0 | 10 |
| | Male | 97 | 0 | 26 | 0 | 26 |
| Clerks | Female | 383 | 1 | 256 | 0 | 256 |
| | Male | 146 | 0 | 135 | 0 | 135 |
| Service and | Female | 30 | 0 | 0 | 0 | 0 |

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| | | | | | | |
|--|--------|-------------|----------|------------|----------|------------|
| sales workers | Male | 175 | 0 | 0 | 0 | 0 |
| Community and personal service workers | Female | 0 | 0 | 0 | 0 | 0 |
| | Male | 0 | 0 | 11 | 0 | 11 |
| Craft and related trades workers | Female | 44 | 0 | 0 | 0 | 0 |
| | Male | 236 | 0 | 0 | 0 | 0 |
| Plant and machine operators and assemblers | Female | 5 | 0 | 2 | 0 | 2 |
| | Male | 77 | 0 | 1 | 3 | 1 |
| Elementary occupations | Female | 172 | 0 | 10 | 0 | 10 |
| | Male | 470 | 2 | 60 | 0 | 60 |
| Sub Total | Female | 811 | 0 | 395 | 0 | 395 |
| | Male | 1281 | 0 | 345 | 0 | 345 |
| Total | | 2092 | 3 | 740 | 0 | 740 |

13. Injury on duty

The following tables provide basic information on injury on duty.

TABLE 13.1 – Injury on duty, 1 April 2011 to 31 March 2012

| Nature of injury on duty | Number | % of total |
|--|--------|------------|
| Required basic medical attention only | 15 | 83.3 |
| Temporary Total Disablement | 3 | 16.7 |

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| | | |
|------------------------------|-----------|------------|
| Permanent Disablement | 0 | 0 |
| Fatal | 0 | 0 |
| Total | 18 | 100 |

(H/O = 3, NCR = 4, M/R=1, S/R=5 & E/R=5)

14. Utilization of Consultants 1 April 2011 to 31 March 2012

Table 14.1 – Report on consultant appointments using appropriated funds

| Project Title | Total number of consultants that worked on the project | Duration: Work days | Contract value in Rand |
|---|---|---|-----------------------------------|
| DEVELOP EMERGING CONSULTANTS DEVELOPMENT PROGRAMME. | 1 | 169hrs | R 132 000 |
| APPOINTMENT OF CONSULTANT FOR THE DEVELOPMENT OF STANDARD TENDER DOCUMENT | 1 | 12 MONTHS | |
| ONE YEAR MAINTENANCE CONTRACT OF ACCESS CONTROL AND CCTV | 1 | 12 MONTHS | |
| DEVELOPMENT OF A MECHANICAL PERIOD CONTRACT | 1 | 24 MONTHS | R230 000 |
| DEVELOPMENT OF ELECTRICAL PERIOD CONTRACT | 1 | 200hr spent 200hr outstanding For 24 months | <u>R160 000</u> R160 000 |
| DEVELOPMENT OF PLUMBING PERIOD CONTRACT | 1 | 310 hrs spent 150hr outstanding | R186 000 R100 000 |
| ASSISTANCE WITH ENVELOPE MANAGEMENT APPROACH PLANNING | 1 | 24-36 months | |

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| | | | |
|---|-------------------------------------|--|-------------------------------------|
| AND IMPLEMENTATION | | 150 hrs 100 spent 50 hrs outstanding | R150 000 |
| 191 - PHASE 2 ALTERATIONS TO EXISTING BLDG & GARAGING | 6 | 36 MONTHS | R 7, 116, 190 |
| Total number of projects | Total individual consultants | Total duration: Work days | Total contract value in Rand |
| 8 | 12 | | R4,485,571 |

Table 14.2 – Analysis of consultant appointments using appropriated

funds, in terms of Historically Disadvantaged Individuals (HDIs)

| Project Title | Percentage ownership by HDI groups | Percentage management by HDI groups | Number of Consultants from HDI groups that work on the project | BBBEE Contributor |
|---|---|--|---|--------------------------|
| DEVELOP EMERGING CONSULTANTS DEVELOPMENT PROGRAMME. | 100% | 100% | | Level 1 |
| APPOINTMENT OF CONSULTANT FOR THE DEVELOPMENT OF STANDARD TENDER DOCUMENT | | | | Level 2 |
| ONE YEAR MAINTENANCE CONTRACT OF ACCESS CONTROL AND CCTV | | | | |
| DEVELOPMENT OF A MECHANICAL PERIOD | 0% | 0% | 0 | |

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| | | | | |
|--|---------------|-----|------|---------|
| CONTRACT | | | | |
| DEVELOPMENT OF ELECTRICAL PERIOD CONTRACT | 50% | 50% | 100% | Level 1 |
| DEVELOPMENT OF PLUMBING PERIOD CONTRACT | International | 20% | 50% | Level 4 |
| ASSISTANCE WITH ENVELOPE MANAGEMENT APPROACH PLANNING AND IMPLEMENTATION | 0 | 0 | 0 | |
| 191 - PHASE 2 ALTERATIONS TO EXISTING BLDG & GARAGING | | | | |

Table 14.3 – Report on consultant appointments using Donor funds

| Project Title | Total Number of consultants that worked on the project | Duration: Work days | Donor and Contract value in Rand |
|--------------------------|--|---------------------------|----------------------------------|
| | | | |
| Total number of projects | Total individuals <i>NONE</i> | Total duration: Work days | Total contract value in Rand |
| | | | |

Table 14.4 – Analysis of consultant appointments using Donor funds, in terms of Historically

Disadvantaged Individuals (HDIs)

| Project Title | Percentage ownership by HDI groups | Percentage management by HDI groups | Number of Consultants from HDI groups that work on the project |
|---------------|------------------------------------|-------------------------------------|--|
| | <i>NONE</i> | | |

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5. OTHER INFORMATION

5.1 Acronyms

| | | |
|---------|---|--|
| ◆ ABET | - | Adult Basic Education & Training |
| ◆ CETA | - | Construction Education and Training Authority |
| ◆ COGTA | - | Department of Cooperative Governance and Traditional Affairs |
| ◆ DoA | - | Department of Agriculture |
| ◆ DoE | - | Department of Education |
| ◆ DOPW | - | Department of Public Works |
| ◆ EPWP | - | Expanded Public Works Programme |
| ◆ FRPC | - | Fixed Rate Period Contract |
| ◆ GIAMA | - | Government Immovable Asset Management Act |
| ◆ HOD | - | Head of Department |
| ◆ IDIP | - | Infrastructure Delivery Improvement Plan |
| ◆ IPIP | - | Infrastructure Programme Implementation Plan |
| ◆ IPMP | - | Infrastructure Programme Management Plan |
| ◆ MEC | - | Member of Executive Council |
| ◆ MTSF | - | Medium Term Strategic Framework |
| ◆ PFMA | - | Public Finance Management Act |
| ◆ SLA | - | Service level Agreement |

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5.2 List of contact details

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