Department of Public Works

ANNUAL REPORT 2020/2021

VOTE 05

Province of the
EASTERN CAPE
PUBLIC WORKS

EXPANDED PUBLIC WORKS PROGRAMME
CONTRIBUTION TO A NATION AT WORK

2030 NDP

Province of the
EASTERN CAPE
PUBLIC WORKS

VOTE 05

DEPARTMENT OF PUBLIC WORKS

ANNUAL REPORT

2020/2021

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1. PART A: GENERAL INFORMATION
1.1 DEPARTMENT'S GENERAL INFORMATION

Full name of the Department
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1.2 LIST OF ABBREVIATIONS/ACRONYMS

ABT	Alternative Building Technologies
AFS	Annual Financial Statements
AGSA	Auditor General South Africa
AIDS	Acquired Immune Deficiency Syndrome
AIP	Audit Intervention Plan
AO	Accounting Officer
APP	Annual Performance Plan
APTCoD	Accelerated Professional and Trade Competency Development
AR	Asset Register
AR	Annual Report
ARP	Annual Recruitment Plan
BAS	Basic Accounting System
BBBEE	Broad Based Black Economic Empowerment
BPM	Business Process Mapping
BCMM	Buffalo City Metropolitan Municipality
BSH	Bhisho State House
C-AMP	Custodian Asset Management Plan
CAE	Chief Audit Executive
CBE	Council for the Built Environment
CFO	Chief Financial Officer
CGAP	Certified Government Auditing Professional
CIA	Certified Internal Auditor
CIDB	Construction Industry Development Board
CMH	Cecelia Makhiwane Hospital
COAF	Communication of Audit Findings
COBIT 5	Control Objectives for Information and Related Technologies
COE	Compensation of Employees
COGTA	Cooperative Governance and Traditional Affairs
CPD	Continuing Professional Development
DDI	Direct Domestic Investment
DFI	Direct Foreign Investment
DG	Director General
DGITO	Department of Global Intelligence Transfiguring Organization
DOE	Department of Education
DOH	Department of Health
DORA	Division of Revenue Act
DRDAR	Department of Rural Development and Agrarian Reform
DPSA	Department of Public Service and Administration
DSRAC	Department of Sports, Recreation, Arts and Culture
EA	Executive Authority
EEA	Employment Equity Act
ECDC	Eastern Cape Development Corporation
EC	Eastern Cape
ECDPW	Eastern Cape Department of Public Works
ECIP	Eastern Cape Infrastructure Plan
ECPL	Eastern Cape Provincial Legislature
EMEs	Exempted Micro Enterprises
EPWP	Expanded Public Works Programme
ERM	Enterprise Risk Management
EXCO	Executive Committee
EXMA	Executive Management
FMM	Facilities Management Model
FY	Financial Year
GEMS	Government Employees Medical Scheme

GIAMA	Government Immovable Asset Management Act
HCT	HIV Counselling and Testing
HDI	Historically Disadvantaged Individuals
HIV	Human Immunodeficiency Virus
HO	Head Office
HOD	Head of Department
HPM	Health and Productivity Management Policy
HR	Human Resource
HRD	Human Resource Development
HRM	Human Resource Management
IA	Implementing Agent
IAC	Internal Audit Charter
IAM	Immovable Asset Management
IAR	Immovable Asset Register
ICDP	Integrated Contractor Development Programme
ICT	Information & Communication Technology
ICTGC	Information & Communication Technology Governance Committee
IDP	Integrated Development Plan
IFS	Interim Financial Statements
IIA	Institute of Internal Auditors
IKM	Information and Knowledge Management
IPIP	Infrastructure Programme Implementation Plan
IRMSA	Institute of Risk Management South Africa
IT	Information Technology
JGR	Joe Gqabi Region
JPS	Junior Primary School
JSS	Junior Secondary School
LED	Local Economic Development
MEC	Member of the Executive Council
M&E	Monitoring and Evaluation
MMS	Middle Management Service
MOA	Memorandum of Agreement
MPL	Member of Provincial Legislature
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
MUNIMEC	Municipalities and Member of the Executive Council
N/A	Not Applicable
NDP	National Development Plan
NMMM	Nelson Mandela Metropolitan Municipality
NT	National Treasury
NYS	National Youth Service
OBB	Operation Bring Back
OHS	Occupational Health and Safety
OMEC	Office of the Member of the Executive Council
OMF	Operations Management Framework
OPD	Outpatient Department
OSD	Occupational Specific Dispensation
OTP	Office of the Premier
PDO	Predetermined Objectives
PFMA	Public Finance Management Act
PMDS	Performance Management Development System
PIDF	Provincial Infrastructure Delivery Framework
PIMO	Provincial Infrastructure Management Office
PLO	Public Liaison Officer
POA	Programme of Action
PPPs	Public Private Partnership

PS	Primary School
PSA	Public Service Act
PSC	Public Service Commission
PSI	Public Service Infrastructure
PSLDC	Provincial State Land Disposal Committee
PSR	Public Service Regulations
PT	Provincial Treasury
PWD	People with Disability
QSEs	Qualifying Small Enterprises
QTN	Queenstown
RATU	Rural and Agricultural Technology Unit
REMC	Risk and Ethics Management Committee
RFI	Request for Information
RLCC	Regional Land Claims Commission
RWOPS	Remunerated Work Outside Public Service
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts
SDIP	Service Delivery Improvement Plan
SDM	Service Delivery Model
SG	Superintendent General
SHERQ	Safety Health Environment Risk and Quality
SIPDM	Standard for Infrastructure Procurement and Delivery Management
SITA	State Information Technology Agency
SLA	Service Level Agreement
SMART	Specific, Measurable, Attainable, Relevant, Time-based
SMME	Small Medium Micro Enterprises
SMS	Senior Management Service
SSS	Senior Secondary School
TB	Tuberculosis
TID	Technical Indicator Description
SOP	Standard Operating Procedures
U-AMP	User Asset Management Plan
UCS	Unified Communications Management System
WIP	Work in Progress

1.3 FOREWORD BY MEC OF THE DEPARTMENT

The commitment made in the beginning of the 2020/21 financial year to accelerate the provision of infrastructure in support of the transformation agenda and building an inclusive economy was adversely affected by the COVID-19 pandemic. The pandemic exposed the glaring realities of inequality, it aggravated the slow economic growth, the extreme pressure placed on already stretched resources and the already high unemployment rate, in particular amongst young people. Despite the negative effect of the COVID-19 pandemic, including amongst others, budget cuts to fund relief initiatives and lockdown regulations that kept officials away from the workplace, the Department forged ahead and achieved tremendous success in both its planned initiatives and those initiated in response to the pandemic.

The Department was instrumental in a number of ways in supporting the Provincial response plan in the fight against the pandemic. 85 Health facilities were refurbished to allow the Department of Health to provide the much needed health support to the affected communities of the Province. It further identified and secured 253 properties for COVID-19 quarantine purposes. This included 182 private properties, e.g. lodges and hotels and 71 state-owned facilities (e.g. hospitals and nature reserves). The Department created 1 000 job opportunities to bring relief to unemployed youth through the Covid 19 Youth brigades Programme. The brigades assisted government departments to comply with the COVID-19 protocols in accordance with the alert levels.

There were further notable achievements gained towards the attainment of the following Departmental Outcomes:

- To position the Department to assume the new role coordinating public infrastructure development, ensuring that infrastructure planning, delivery, operations and maintenance is improved across the Province the following has been achieved:
    - The Programme Implementation Management Office (PIMO) has been established to provide technical, project and programme management capacity for the Department to fulfil its mandate;
    - Through implementation of infrastructure and COVID-19 pandemic related projects, more than the planned thirteen young graduates were able to attain their professional status in various fields of the Built Environment;
- The Department has embarked on an institutionalised radical socio-economic agenda to address growing unemployment pool, unsustainably high levels of poverty and gross inequalities and has achieved the following:
    - In transforming the Property sector, 46% against a target of 40% leases were concluded with Black Landlords and disaggregation is as follows, Black African= 21%, Black Coloured=2%, Black Chinese= 1,5%, Black Indian= 21,5%;
    - In coordination and delivery of infrastructure projects, a total of 12 infrastructure projects have been completed as part of the office accommodation strategy to consolidate government departments offices into one stop shops to improve access to services;
    - The Department also commenced with a tender process to conduct a comprehensive land and tenure audit over a two-year period on provincial land. The first 300 planned for the year under review was successfully completed and the remaining 450 is planned for the 2021/22 financial year;
    - A total of 4434 work opportunities have been created these include the Youth brigade programme that was established as part of the fight against COVID-19 pandemic. The EPWP prioritises designated groups in order to contribute towards a transformative society.

Notwithstanding the above mentioned achievements, the most affected areas in our performance include but not limited to: utilisation of the property portfolio to increase productive investment and other business opportunities. This was envisaged to be achieved through advertising our properties in a Property Investment Conference and offering long term leases to historically disadvantaged individuals prioritising youth, women and people with disabilities.

However, the conference did not materialise due to provincial decision to hold a provincial conference incorporating economic development opportunities from various sectors in the Province, Despite that decision, the Department has commenced with collating strategic state owned properties into a Bid Book, marketed those to potential investors and advertised some on open tender .We achieved limited success in this regard in that 15 out of 56 properties advertised were recommended for approval by the Premier.

The Department also attained limited success in implementing its new role of coordinating public infrastructure as mandated by the macro-organisation of government for the 6th administration. The achievement obtained was the EXCO resolution of 9 Dec 2020 to rename DPW to DPWI, however, the proclamation and gazetting of this resolution was issued just after the end of the financial year, on 6 April 2021. This necessitated the defer of all planned activities to implement these resolutions to the 2021/22 financial year.

Lastly, we acknowledge the unwavering support and contribution by the Premier, the entire Executive Committee (EXCO) members and all stakeholders, in ensuring that the Department delivers on its mandate of being a leader in the provision of high quality services in infrastructure delivery.

Thank you.

Mr B. Madikizela
MEC for Public Works

1.4 REPORT OF THE ACCOUNTING OFFICER

Overview of the Operations of the Department

This Annual Report is presented at a time when government operations have been severely affected by COVID-19 pandemic compelling government and indeed DPWI to adapt new models of operations, service delivery, and interactions with citizens, which include technology options of modernization of services to citizens and businesses. Although the Department successfully achieved 82% of its planned targets during the year under review, it was not exempted from the effects of COVID- 19 and the National Lockdown resulting in some business processes not withstanding its crippling effects and delays were experienced in various areas of operations.

In the 2020/21 APP I alluded to the fact that focus will be on realising the strategic trusts and mandate of the Department, that of being a "Nerve Centre" in the provincial infrastructure delivery, coordination and socio-economic investment anchored in three dimensions, namely,
(a) Developing a Capable institution;
(b) Core Infrastructure delivery services;
(c) Investment for Socio-Economic Growth.
This thrust was followed by the adoption of eight (8) outcomes that the Department endeavour to achieve as a result of implementing its strategies.

In relation to building DPWI to be a capable and developmental institution, the approval of a name change from the Department of Public Works (DPW) to the Department of Public Works and Infrastructure by the EXCO of 9 December 2020 brought us closer to realising the 1st dimension of the strategic trusts for this term. Outstanding is a proclamation of this resolution and consensus on Provincial Infrastructure Model that will clearly define and differentiate roles for infrastructure development and coordination by various role-players in the Province.

The Department also made strides towards achieving its outcome of a **Resilient and Capacitated Public Works,** especially through developing a skilled, capable, professional and technical workforce. With the support of the Office of the Premier and Provincial Treasury the inputs on the new Organisational Structure received from DPSA have since been effected, approved by the MEC and resubmitted to DPSA for concurrence. Success has also been evident in building skilled and capable workforce with 15 new candidates registered as professionals and 38 against 20 targeted APTCoD learners passing the trade test.

Despite the above-mentioned challenges, the Department continued to ensure the inclusion of the previously marginalised into the mainstream of the economy by allocating and spending a huge percentage of the budget on infrastructure, goods and services to SMMES and local suppliers. Emerging contractors in the Integrated Contractor Development Programme were supported with awards of contracts including COVID-19 related projects and training capacity and have upgraded to a higher level of CIDB rating.

Amongst key projects for the Department is the development of an organisational structure that is aligned to the Mandate as pronounced by the President and proclaimed by the Premier of the Province. This project is part of building a resilient and capacitated Public Works that will position the institution as an enabler and catalyst for inclusive socio-economic development and prosperity. The Department is envisaging the implementation of the approved structure in the next financial year.

Another project is the establishment of the two Regions namely; Nelson Mandela and Buffalo City Metro to improve access to the service delivery operations of the Department to the communities and Clients. The Department is in the process of capacitating the established regions to be fully operational.

Lastly, the establishment of the PIMO to build the capacity required by the Department to be an Implementing Agent of choice for the all infrastructure delivery and coordination functions in the

Province. To date there are support services personnel provided by PIMO assigned to departmental programmes as follows; Public Works Infrastructure; CFO; EPWP; SCM and ICT.

Overview of the financial results of the Department

Departmental receipts

Items	2020/21			2019/20		
	Estimate	Actual collection	(Over)/Under collection	Estimate	Actual collection	(Over)/Under collection
	R'000	R'000	R'000	R'000	R'000	R'000
Rentals Dwelings	12 000	14 720	-2 720	37 556	24 641	12 915
Sale of Tenders	-	8	-8	-	167	-167
Admin Fees		295	-295	-	-	-
Interest	-	88	-88	-	30	-30
Sale of capital assests	-	915	-915	-	1 734	-1 734
Commision Insurance	-	923	-923	-	908	-908
Assets and Liabilities	-	376	-376	-	5 460	-5 460
Total	**12 000**	**17 325**	**-5 325**	**37 556**	**32 940**	**4 616**

For the period under review, department over collected the projected revenue by R5 million. Own revenue is mainly derived from the rental dwellings, sale of goods and services other than capital assets. Other sources include sale of tender documents as well as commissions. In 2020/21 financial year, the Department sold two (2) properties in Hamburg and land in Buffalo City to the value of R915 thousand. The rental dwellings collection reduced when compared with previous year due to default payment by the tenants as a result of the COVID-19.

Programme Expenditure

For the period under review (2020/21), expenditure stood at R2, 368 billion or 98% of the total adjusted budget of R2, 408 billion. The table below provides the expenditure trend per programme.

Programme Name	2020/21			2019/20		
	Final Appropriation	Actual Expenditure	(Over) Under Expenditure	Final Appropriation	Actual Expenditure	(Over) Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
1. Administraiton	489 240	486 602	2 638	580 468	575 650	4 818
2. Public Works Infrastructure	1 785 302	1 750 053	35 249	1 783 719	1 756 297	27 422
3. Expanded Public Works Programme	134 050	131 300	2 750	118 710	117 607	1 103
Total	**2 408 592**	**2 367 955**	**40 637**	**2 482 897**	**2 449 554**	**33 343**

The posted under expenditure of R40, 637 million is attributable to:

Programme 1: Administration

- Late award of the service provider to supply and deliver 100 laptops as a result of the lockdown levels.

Programme 2: Public Works Infrastructure

- Late award of both Botha Sigcau and Old FNB building as a result of the lockdown levels.
- Mt Ayliff Cluster offices due to dispute that led to litigation process;
- Construction of Addo offices delays due to approval process from the Environmental Affairs that took longer than anticipated; and
- Late award of the service provider to install security equipment upgrades in the Bhisho State House and the Eastern Cape Provincial Legislature due to longer process of vetting the bidders in line with the security requirements.

Programme 3: Expanded Public Works Programme

The delays in the delivery of procured protective clothing and tools for both NYS and APTCoD as a result of the challenges experienced by the manufactures.

Virements and rollovers

Virements were effected during the financial year from Programme 3: Expanded Public Works Programme, Goods and Services (Property payments and Materials and Supplies) R5,594 million to Programme 2: Public Works Infrastructure, Buildings R5, 594 million for the acquisition of the identified strategic properties by the Department. These virements were within the legislated 8% threshold and in line with all relevant legislation and regulations governing virements.
The table below provides the summary of the virements that were effected in the period under review.

Appropriation per programme									
	2020/21							2019/20	
Voted funds and Direct charges	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
Programme									
1. Administration	489 240	-	-	489 240	486 602	2 638	99,5%	580 468	575 650
2. Public Works Infrastructure	1 779 708	-	5 594	1 785 302	1 750 053	35 249	98,0%	1 783 719	1 756 297
3. Expanded Public Works Programme	139 644	-	(5 594)	134 050	131 300	2 750	97,9%	118 710	117 607
Total	**2 408 592**	**-**	**-**	**2 408 592**	**2 367 955**	**40 637**	**98,3%**	**2 482 897**	**2 449 554**

The Department has requested the committed unspent funds amounting to **R 28, 921 million** to be rolled over for the following items:

- Laptops R2,400 million;
- Infrastructure Projects R20,506 million:
  - Botha Sigcau Building R17,606 million; and
  - Old FNB Building R2,900 million.
- Security Upgrading - Bhisho State House and ECPL - R6,015 million.

Future plans of the Department

- Transfer of functions from various departments to DPW;
- Internal capacitating DPW to be able to fully implement its mandate;
- The Department will, optimally utilise the provincial immovable asset portfolio and promote to increase investment through interventions that facilitate revenue generation, retention as well as mobilisation of public investment as a lever for growth;
- DPW will continue to drive its radical socio-economic transformation agenda especially in transforming the built environment;
- DPW will continue to provide a conducive working environment for government employees;
- The Department will focus on the restructuring some of its programmes to massify the creation of work opportunities in infrastructure delivery through the Expanded Public Works Programme (EPWP), thereby contributing towards poverty alleviation and the reduction of unemployment; and
- Implementation of the Structure

Public Private Partnerships

There were no Public Private Partnerships entered in to during the year under review.

Discontinued Activities/ Activities to be discontinued

There were no activities discontinued during the year under review.

New or Proposed Activities

- Launch the Provincial Chapter of the Operation Bring Back (OBB) campaign;
- Finalisation of the Delivery Framework;
- Implementation of the Facilities Management Model; and
- The Department has finalised the Office Accommodation Plan for Provincial Departments. The implementation strategy details among others, Precinct development and acquisition of strategic properties.

Supply Chain Management

During the year under review, there were no unsolicited bid proposals approved by the Provincial Treasury. Systems and procedures were put in place to strengthen the control environment so as to prevent any irregular expenditure. The Department has also capacitated the infrastructure procurement unit of the Department through in-house workshops including Bid Committee Members. The understaffing of the SCM unit and the reliance on contract workers remained a challenge. DPW has undertaken a decision to centralise Procurement of above R500 000 to Bhisho.

Gifts and Donations received in kind from non-related parties

There were no gifts recorded during the reporting period.

Exemptions or deviations received from National Treasury

No exemptions or deviations have been received from National Treasury.

Events after reporting date

Events after reporting date are documented in the applicable notes in the Annual Financial Statements.

Other

No other material facts or circumstances, which may have an effect on the interpretation and fair presentation of the financial statements.

Acknowledgements or Appreciations

I wish to take this opportunity to express my sincere appreciation for the leadership and support provided by the MEC in driving the ideal Public Works initiative. Let me also thank the Departmental Management and all staff for their dedication and commitment in ensuring that the Department delivers on its mandate. The immense support provided by the Oversight bodies in improving service delivery to the people of the Eastern Cape has provided much needed zeal.

I, therefore, acknowledge their valuable support, guidance and their efforts in ensuring that the Department is held accountable for delivering on its mandate to the public.

Conclusion

The Department presents this report in terms of the Public Service Act and the Public Finance Management Act. This report offers the Accounting Officer the opportunity to fully account for both the financial and non-financial activities for the year under review and the results thereof as contained in detail in this Annual Report. The Annual Financial Statements have been prepared in terms of the Guide to the Preparation of the Annual Financial Statements as issued by the National Treasury.

Approval and sign off

Mr T. L Manda
Head of Department
31 August 2021

1.5 Statement of responsibility and confirmation of the accuracy of the Annual Report

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

- All information and amounts disclosed throughout the annual report are consistent.
- The Annual Report is complete, accurate and is free from any omissions.
- The Annual Report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

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

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

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

The External Auditors are engaged to express an independent opinion on the Annual Financial Statements.

In my opinion, the Annual Report fairly reflects the operations, the Performance Information, the Human Resources Information and the financial affairs of the Department for the financial year ended 31 March 2021.

Yours faithfully

Mr T. L Manda
Head of Department

1.6 Strategic Overview

1.6.1 Vision

The vision of the Department of Public Works is to be a:
"Leader in the provincial infrastructure delivery, coordination and socio-economic investment"

1.6.2. Mission

The mission of the Department of Public Works is:
"A custodian of provincial government immovable assets and a provider of sustainable infrastructure resulting in socio-economic transformation and development"

1.6.3. Values

The Department of Public Works holds the following values:

Values	Statements
Commitment	DPW employees recognise that they have chosen to become public servants and, as such, are responsible and accountable to the people they serve - the people of the Eastern Cape. This commitment will be demonstrated in upholding and driving the values of the DPW in their day-to-day activities regardless of whether they form part of management, operations, finance or administration.
Integrity	The Department will consistently honor its commitments to its clients, stakeholders and the people, to uphold ethical conduct and behavior. As such, integrity will form the foundation for good governance within DPW.
Accountability	Each individual in the DPW is directly or indirectly involved in government service delivery, in so far as infrastructure management and maintenance are concerned. As such, each individual is accountable for his/her actions. The Department will strive to instill a culture of accountability to ensure service delivery excellence.
Professionalism	As a Department which provides a professional service in relation to infrastructure delivery, and overall infrastructure management and maintenance, the Department commits itself to professional conduct in all areas of management, operations, finance and administration.
Service excellence	We strive for excellence in the delivery of our mandate and in the execution of our services and commit ourselves to become the best in what we do and how we do it, with workforce that is motivated and diligent in their dealings with all Departmental stakeholders.
Transparency	We display transparency in the way we work and communicate with honesty and integrity in all our relationships.
Innovation	We embrace a challenging style that encourages creativity, free thought and calculated risk-taking in pursuit of ever-higher goals.
Fairness	We accept responsibility for consequences and commit to fair application of policies without abuse and manipulation.

1.6.4. Legislative and Other Mandates

Constitutional Mandates

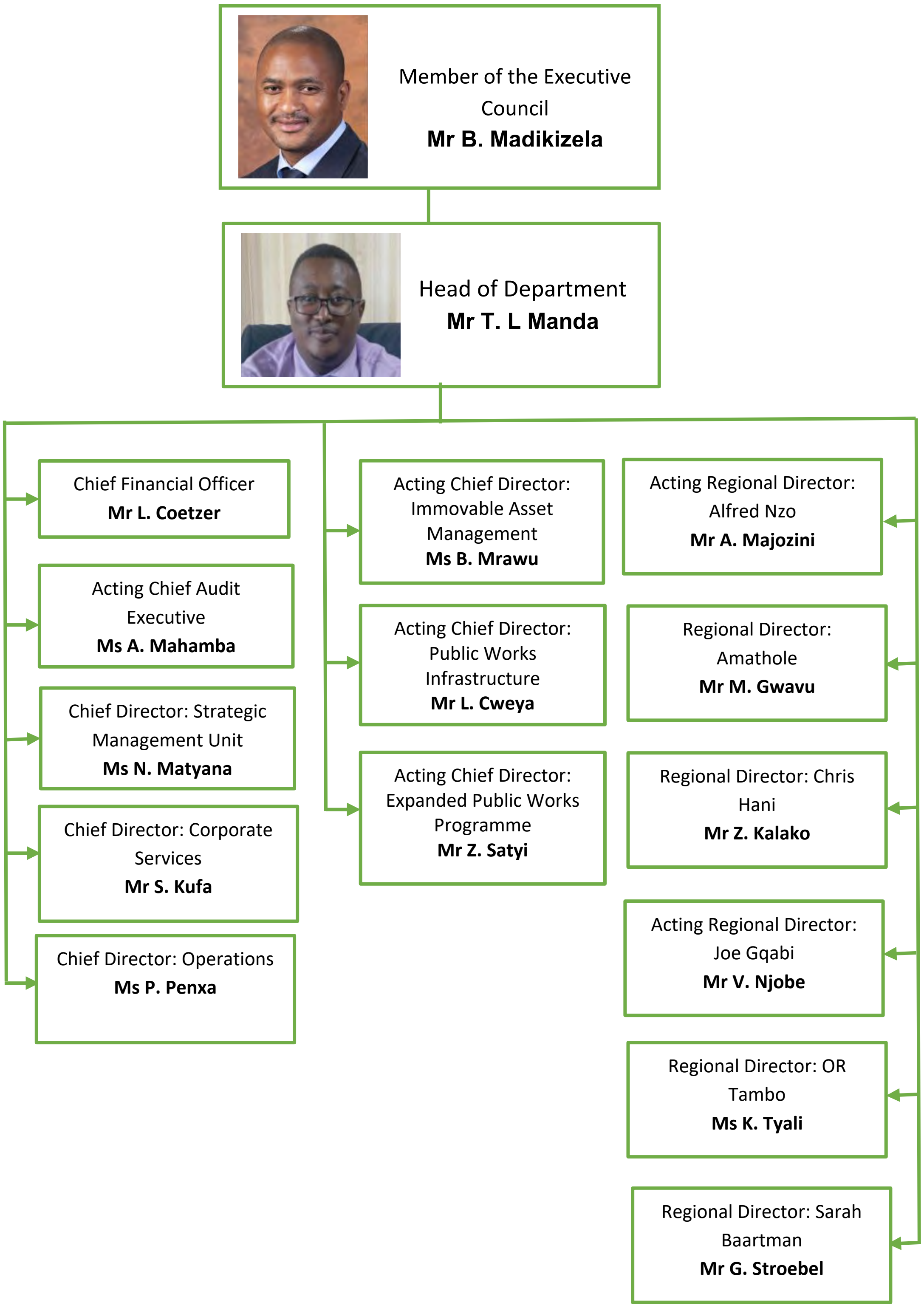
Legislative Source	Directives in relation to the mandate, roles and responsibilities of the DPW
Constitution of the Republic of South Africa, 1996 (Act 108 of 1996)	**Part A of schedule 4:** Public Works has a responsibility only in respect of the needs of the provincial Departments in the discharge of their responsibilities to administer functions specially assigned to them in terms of the constitution or any other law (Concurrent National Department is the Department of Public Works)

Legislative Mandates

The legislative mandates for the Department of Public Works comprise the following legal prescripts:

Legislative Source	Directives in relation to the mandate, roles and responsibilities of the DPW
National	
Government Immovable Asset Management, Act 19 of 2007	In terms of section 4(2)(a)(b)(ii) & (c) DPW is designated as the custodian of Eastern Cape Provincial immovable assets responsible for all activities that are associated with common law ownership including planning, acquiring, managing and disposing immovable assets in relation to government office space, government warehousing and socio-economic infrastructure e.g. schools, clinics, hospitals etc. key responsibilities: cite from GIAMA
Infrastructure Development Act, 2014 (Act No. 23 of 2014)	To provide for the facilitation and co-ordination of public infrastructure development which is of significant economic or social importance to the Republic; to ensure that infrastructure development in the Republic is given priority in planning, approval and implementation; to ensure that the development goals of the state are promoted through infrastructure development; to improve the management of such infrastructure during all life-cycle phases, including planning, approval, implementation and operations; and to provide for matters incidental thereto.
Construction Regulations, 2014	Sub-Regulation 11(2) requires an owner of structures to ensure that a competent person (typically a Built Environment Professional) carries out periodic inspections of structures at least once every six months for the first two years after its construction and thereafter yearly to render the structure safe for continued use and that the structure is maintained so that it remains safe for continued use. Thus at least annual condition assessments must be carried out and maintenance and renewal programmes must be implemented.
Provincial	
Eastern Cape State Land Disposal Act, Act 7 of 2000	In terms of section 5(1) (2) &(3) of the Act, the DPW is responsible for acquisition and disposal of immovable property on behalf of the Eastern Cape Provincial Government subject to the approval of the Premier.

1.6.5. Department of Public Works Organisational Structure



1.7 ENTITIES REPORTING TO THE MEC

There are no entities in the Department's portfolio reporting to the MEC.

Part: B

2. PART B: PERFORMANCE INFORMATION

2.1 Auditor-General's Report: Predetermined Objectives

The Auditor-General's report on predetermined objectives is documented under the sub-heading ''Reporting on other legal and regulatory requirements'' of the Auditor-General's report published as Part E (Annual Financial Statements of the Department's Annual Report).

2.2 Overview of the Departmental Performance

The following section provides key performance information, highlighting the Department's service delivery achievements.

2.2.1 Service Delivery Environment

The Service Delivery environment provides an overview of how the Department of Public Works and Infrastructure has been operating in delivering services within the context of its mandate. This section outlines all the significant achievements, challenges and factors that may have had an impact on the Department's performance as articulated in the Annual Performance Plan 2020/21.

Property Development & Investment

During the year under review, the Department achieved a number of outputs, in spite of the disruption by the COVID-19 and related Lockdown regulations. In the department's efforts to transform the property sector to benefit historically disadvantaged individuals, the Department approved the award of 14 out of the 32 properties which were advertised for long-term leasing and redevelopment. These projects are also envisaged to generate a revenue of about R800 million over a lease period of 30 years.

In addition, the Department also approved the award of Erf 1, Bhisho (old Amatola Sun Hotel), for long-term leasing and development of a hotel, a 5 000 seater conference facility, upmarket residential complex, a mashi golf course and other mixed uses. This project is planned to generate R1.2 billion over 99 years, furthermore, the same project is envisaged to be a catalyst for economic development in the King William's Town and Bhisho spatial development corridor through the jobs and other employment opportunities that is envisaged to generate. Both projects are subject to Premier approval for the long-term leasing.

The Department further conducted roadshows to present the Bid Book to various business formations and other stakeholders, with the aim of presenting the provincial immovable property portfolio comprising 267 properties contained in the Bid Book from which these stakeholders can submit proposals to the DPWI for leasing and development. 67 properties were extracted from the Bid Book and advertised during the year under review.

The Department also received approval for tariffs which it will charge for leasing of its space to the public and private sector for outdoor advertising using billboards and digital screens. Despite the achievements highlighted above, the Department inadvertently experienced challenges due to the National COVID-19 Lockdown which affected the proposed Property Investor Conference which had to be postponed in adherence to Lockdown regulations. However, as an intervention, various regional consultations were held with the business sectors and prospective established developers to present the immovable property portfolio of the provincial government.

The aim was to unlock the potential of these properties and to present economic opportunities which can be derived from this portfolio by new entrants and established property developers, and to generate the much needed revenue for the provincial government. This was achieved through the roadshows referred to above, to present the immovable property portfolio of the province to prospective investors. The Department will continue to use the Bid Book as a repository for properties which will be presented to various investors for development and revenue generation.

Lease Management

Revenue Lease:

Of the current 870 revenue leases (residential and commercial), the Department has recorded 557 valid leases. The Department appointed teams of attorneys during October 2019 in the OR Tambo and Amathole regions, to assist the regional offices with the signing of new leases agreement, calculating rental arears and due legal processes for outstanding rental collection to be followed as well as application for eviction orders. This process is still in progress but great strides have been made in this regard.
Since October 2019 after the appointment of the attorneys, the Department had since recovered an amount of R13,060 million arrear rental and two (2) successful eviction order has been issued by the court. The Department commenced with a Lease Verification project where the revenue register, the Immovable Asset Register and Income Lease register were reviewed to identify discrepancies. This process has been completed for Alfred Nzo District, Joe Gqabi District, Chris Hani District and Sarah Baartman is near completion.

Expense Lease:

As far as the expense leases are concerned, the Department of Public Works leased 76 properties from various landlords provincially. The Department provided 122 324m² to all the user departments. At 31 March 2020, 49 Leases were valid and 27 leases invalid. The Member of the Executive Council approved the application on 18 February 2020 to extend the 27 invalid leases for a period of 12 months in order to observe the open tender process as per the Lease Renewal Process. Out of the 27 invalid leases, 13 have since been renewed with a valid lease agreement, five (5) leases have been declared as disputes and there has been a delay in concluding nine (9) lease agreements which are not yet signed by the landlord due to COVID-19 lockdown regulations.

In the year under review, Immovable Asset Management has since embarked on a Lease Renewal Project where the lease portfolio was advertised on an open tender.The purpose of the project was to further strengthen the transformation agenda of government within this particular portfolio. The project was divided into three phases, with 49, 11 and 16 projects to be advertised and the projects were listed on the Procurement Plan for 2020/21 financial year. The Department managed to advertise 21 leases out of 49 planned for Phase 1.

Prestige Management

Fifty-four (54) houses have been allocated to the Eastern Cape Legislature for residential accommodation of our prestige clients. One (1) additional house was acquired for the Speaker of the Legislature and furniture and appliances were procured for Members of the Legislature for the year under review. An amount of R4 million was allocated towards the maintenance of the Prestige Houses, of which R3.4 million was spent including revamping of two houses.

Security Management

The Department is responsible for providing security services to all state owned properties and facilities. The Department as means of creating job opportunities and transforming the security sector continued to utilise twelve Coorparatives. These twelve (12) Security Co-operatives are currently rendering security services throughout the Province. A service provider was appointed for the installation and monitoring of alarm systems at 63 prestige properties and managed to supply and install alarms to 40 MPL residences. It couldn't complete its work due to financial constraints. Monitoring of alarm systems is also not occurring as planned in all the facilities due to limited resources.

Rates and taxes

The Department of Public Works spent the full appropriated budget towards payment of rates and taxes to the various municipalities in the province.

Item	Allocation R'000	Total Expenditure R'000
Rates and Taxes	542 824	542 824

All properties under custodianship of the Department were reconciled monthly and monitored to ensure they do not accumulate arrears. Constant stakeholder engagement with municipalities were undertaken to ensure accurate and payment receipting, billing of our properties / accounts and account delivery. Data cleansing of property details was done to enable correct billing and writing off interest where possible if municipalities were unable to respond to the Department.

Public Works Infrastructure

The Department is responsible for delivering both Capital and Maintenance infrastructure projects for Sector Departments, such as Department of **Education** (DoE), Department of **Social Development** (DSD), Department of **Health** (DoH), Department of **Sports, Recreation, Arts & Culture** (DSRAC), and the Department of **Cooperative Governance & Traditional Affairs** (COGTA).

The relationship between Sector Departments and DPW is governed by a Service Delivery Agreement (SDA) which, inter alia, documents the roles and responsibilities of the two parties with regards to the Sector Department's infrastructure programme. The ultimate outcome of this programme is ensuring **"Dignified Client Experience"** by providing reasonable and functional accommodation that facilitates the attainment of user departments' service delivery objectives and the delivery of frontline services that are suited to the requirements of the public.

To this end, the Department completed the following capital infrastructure and maintenance anchor projects:

Anchor Projects	User Departments
Conversion of Ex-Mary Theresa Hospital into Offices	Department of Health and Department of Social Development
Construction of Komani Office Park	Department of Education and Department of Sport, Arts and Culture
Construction of Cofimvaba Service Office	Department of Social Development
Construction of Ntabankulu Service Office	Department of Social Development
Completion of Libode Service Office	Department of Social Development

Furthermore, the Department closed the 2020/21 financial year with 41 projects under construction, seven (7) of which were awarded during the financial year under review. Five (5) and twelve (12) projects have been completed for maintenance and capital infrastructure respectively. The Department also engaged in energy, water, and waste efficiency initiatives not only to give effect to other related Green Building efficiency programmes and ensure that DPWI meets its commitment to contribute significantly to the reduction of Greenhouse Gas emissions in the built environment but also to provide dignified client experience of environmentally safe office spaces.

In reality Buildings Infrastructure did not achieve all the targets as set in the Annual Performance Plan for the year under review, because the pandemic forced the programme to shift focus and concentrate on unplanned projects in response to COVID-19 which was declared as a global disaster. To this end, the Department worked with zeal, speed and agility in providing health facilities for the purpose of utilising them as isolation centres in line with the health protocols and regulations for the pandemic. The Department has responded swiftly to the COVID-19 outbreak which has significantly impacted our infrastructure plans.

In co-operation with the Department of Health, the Department was allocated a budget of R500 million to renovate existing Health facilities across the province. By the end of 2020/21 financial year, the Department managed to implement **eighty-five (85) projects** amounting to **R590,428,636 million** using the Eastern Cape based contractors.

At the close of the financial year, the Department had completed s**eventy-five (75)** and a total of **eight (8)** projects were at advanced stages of construction. This programme has positive economic spin-offs for the Province since, a total of **152** local SMME's were subcontracted on various projects. During this time of the pandemic the Department made use of its internal resource, both registered professionals and candidates which resulted in R95 million savings that could have paid to consultants.

The DPWI now finds itself at a critical juncture, whereby it requires substantial technical support to maintain an acceptable level of service to its client departments. To meet the challenge of being the nerve centre for infrastructure delivery in the province, DPWI appointed PIMO to augment the department's technical project and program management capacity.

Another challenge with regards to the Department's endeavours to become the nerve centre of Infrastructure Delivery, is that of still not having full control of the infrastructure budget. A huge chunk of budget is controlled by client departments such as Department of Education and Department of Health. This arrangement, in many instances, is the main factor that hinders optimal delivery of infrastructure due to a large number of projects that get terminated because of non- payment by client Departments.

However, DPW has strengthened adherence on payment clause of the SLAs and has been providing support to client departments. Furthermore, DPW has improved working relations with the client departments with the aim of improving efficiency and accountability to ensure delivery of projects on time.

In terms of the condition of state buildings/facilities, in the year under review, the condition assessments were conducted in 190 facilities as means of identifying buildings/facilities that require maintenance. In total 54% of these facilities were found to be in a non-acceptable condition.

The Department have integrated new technologies during the design, construction and operational phase of an infrastructure asset. This initiative comprises introduction of new building materials (alternative building technology) and renewable energy technology where necessary. This will help to decrease project cost, compress construction time, reduce projects disruption, minimize environmental harm and increase safety. Further to this, the Department came up with a turn-key approach in order to expedite delivery of infrastructure.

This approach has already been tested during the construction of new health facilities, upgrading, renovation and refurbishment of various health facilities throughout the province in response to the COVID-19 pandemic.

Expanded Public Works Programme (EPWP)

EPWP is a government programme that was promulgated to provide livelihood to the poorest of the poor. EPWP provides development instruments that enables societies to bridge the gap between the employment needs of markets and of society. In the process, assets and services can be created to improve the quality of life for all, and make societies a better place.

Whilst economic conditions in the country have not been favourable, the COVID-19 situation has worsened it. In the year under review, as means of contributing in maximising job opportunities, the Eastern Cape recorded 47.9% unemployment rate in the fourth quarter 2020 (October-December), this is an increase of 8.4% from the same period in 2019. In an effort to contribute towards the creation of the much needed jobs, the Eastern Cape created 123 014 jobs through the Expanded Public Works Programme. This mark is an achievement of 131% against the provincial annual target of 93 687. Whilst the province has surpassed its annual target, some public bodies continue to lag behind in achieving their job creation targets thus compromising the EPWP footprint.

The EPWP prioritises designated groups in order to contribute towards a transformative society. Of the total jobs planned to be created, 60% should benefit women, 55% benefit youth and 2% benefit People with Disabilities.

In the year under review, the province exceeded the targets for women by reporting 66%, however it fell short of achieving youth and people with disability targets as it reported 30% and 1% respectively.

To address the persistent underachievement of the youth targets, the Department conducted an evaluation study to ascertain the cause of poor participation by youth in the EPWP and based on the recommendations an EPWP Youth Evaluation Study Improvement Plan has been developed and its implementation has already commenced during the financial year under review.

The DPW strives to contribute in a transformed and inclusive property and construction industry, 177 emerging contractors supported in ICDP incubator programme, 26 SMMEs upgraded to a higher CIDB grating,1 092 and 38 APTCoD learners that have trained and passed trade test respectively. It is unfortunate that, the delays in finalising the Property Incubator Policy affected recording new entrants in Property Incubator programme.

The EPWP has a significant impact in addressing poverty. On a yearly basis, the programme outlines a minimum stipend through which to impact livelihoods and paid a minimum of R92.30 per day during the year under review. According to Statistics South Africa poverty lines of 2020, the Food Poverty Line which refers to the amount of money an individual will need to afford the minimum required daily intake was set at R 585 per month whilst the Upper Bound Poverty Line meaning the amount of money an individual will need to purchase food and non-food items was set at R1 268 per month. The EPWP minimum stipend of R92.30 per day which equals to R1 846 per month, places participants above the upper bound poverty line.

The Department of Public Works has initiated a conversation on its role as reporting coordinator and a strategic intervener whereby Alfred Nzo and Sarah Baartman District Municipalities have been identified as pilot sites.
In the past financial year DPW embarked on a programme to support Technical Schools with Graphic Design Laboratories in the Alfred Nzo Region. In the year under review the programme was launched at Cangci Technical High School which is in Bizana in the Alfred Nzo Region.

2.2.2 Service Delivery Improvement Plan

Main services and standards

Key Service 1: Manage Leases (Lease-in and Lease-out)

Key Services	Service Beneficiary	Performance Area	QQ	Desired changes in performance targets	Actual Achievement
				2020 / 2021	2020 / 2021
1. Manage Leases (Lease-in and Lease-out)	User Departments and Tenants	Expense leases ***(Lease-in)*** and Income leases ***(Lease-out)*** provided within valid period	Quantity	100% of leased accommodation provided within 40 days. 100% of contracts addressed before expiry	• 95% of leased accommodation was provided within 90 days. • The desired standard aimed at providing accommodation within 60 days is not feasible. • To provide accommodation takes an average of 90 days (3 months) depending on the method followed. • In the case of new procurement, it takes up to 180 days (6 months). • Income Leases: Property Holdings is currently reviewing all income leases per region. Three regions (Chris Hani, Joe Gqabi and Alfred Nzo) have been completed and a report is currently being drafted. Sarah Baartman Region will be completed by 21 May 2021. Completion of the whole project is expected by June 2021 • In the case of Lease renewals, it takes up to 90 days (3 months) to finalise the process. • Interventions to assist the directorate include; • Conducting on-going lease negotiations with the various landlords. • Facilitating tender process that will focus on fast-tracking renewal of lease contracts and provision of accommodation • 75% of the leased-in and 98% leased-out contracts are valid and in place. • Outstanding lease contracts are in the various stages of being addressed / negotiated with landlords. • Renewal negotiations are concluded with 28 landlords. • Submissions are on-route to delegated authority for approval of 12 months extension. • All leases have been renewed for a further 12 months in order to observe the open bid process. • 4 leases are currently with the landlord for signature, 1 lease is terminated due to User Department relocated to the State-Owned Building. • Total valid leases to date is 71. • 100% response rate to customer complaints related to Manage Lease (Lease-in and Lease-out) was achieved. Human Settlements maintenance complaints:

Key Services	Service Beneficiary	Performance Area	QQ	Desired changes in performance targets	Actual Achievement
				2020 / 2021	2020 / 2021
				100% response rate to customer complaints related to Manage Leases (Lease-in and Lease-out)	• Maintenance issues in relation to Human Settlements have been implemented by the landlord. Health maintenance complaints (Urgent maintenance of air-conditioners, cleaning services and generator): • Maintenance issues have been implemented by the landlord. Transport request: • The need for additional accommodation for the Traffic Infringement Unit has been resolved. • Public Works Infrastructure unit is awaiting a spatial template for renovations to be effected by the FNB Building. • FNB building is currently under construction for the Traffic Infringement Unit of Department of Transport. It is expected to be completed in 10 months from commencement date. DRDAR request: • The request for accommodation for DRDAR (RATU) in Mthatha is in progress. Due to non-availability of state-owned accommodation in Mthatha, the Department opted to lease in accommodation for the Department. The project will be taken to the Departmental specification committee once the lockdown regulations have been lifted. • The Department identified state-owned accommodation and DRDAR visited the accommodation. the DPW is awaiting a Bill of Quantities from the district and the eviction order will be implemented to clear the accommodation for renovations to take place.
			Quality	As per the requirements of the Government Immovable Asset.	• The lease in and lease out was implemented in line with the requirements of the Government Immovable Asset Management, Act 19 of 2007. • DPW is leasing accommodation through open bid processes and the renewal process in line with the prescripts i.e. issued directive by National and Provincial Treasuries.

Key Service 2: Project Implementation (Works)

Key Services	Service Beneficiary	Performance Area	QQ	Desired changes in performance targets	Actual Achievement
2. Project Implementation (Works)	User Departments MECs MPLs ECDPW Officials	Infrastructure projects completed within agreed time period	Quantity:	100% of site / progress meetings conducted 80% success rate in closing scope and quality issues raised 100% of public works infrastructure projects / works (new, rehabilitation and refurbishment) completed within the agreed time periods in the construction contract 100 % of public works infrastructure projects / works (new, rehabilitation and refurbishment) completed within the agreed budget	• Due to COVID-19 outbreaks, only 60% of site / progress meetings conducted. 40% of the meetings were conducted virtually through Microsoft Teams. • 100% success rate in managing scope creep during implementation and monitoring of quality. • 90% of Public Works infrastructure • projects / works (new, rehabilitation and refurbishment) were • completed within the agreed time periods for construction contract. • 100% of Public Works infrastructure projects / works (new, rehabilitation and refurbishment) completed within the agreed budget. • **Reasons cited for deviation on completion of projects for the 2020/21 financial year:** • Failure to process payments on time by sector departments as per the contract resulted in service providers suspending works • Non-approval of adjustment of fees by PT resulted consultants suspending their services
			Quality	In line with the National Treasury Standard for Infrastructure Delivery Management System 2019 Standard for Infrastructure Procurement and Delivery Management 2016.	• Project implementation Works was implemented in line with the following prescripts: • Standard for Infrastructure Procurement and Delivery Management System 2019. • Standard for Infrastructure Procurement and Delivery Management 2016. • Construction Industry Development Framework Provincial Infrastructure

Key Services	Service Beneficiary	Performance Area	QQ	Desired changes in performance targets	Actual Achievement
					Delivery Framework (PIDF) 2014. • Integrated Contractor Development Policy (2015) CIDB in construction • Procurement Construction Health and Safety Space Norms and Standards (for school infrastructure 2016)

Key Service 3: Payment of suppliers invoices within 30 days

Key Services	Service Beneficiary	Performance Area	QQ	Desired changes in performance targets	Actual Achievement
				2020 / 2021	2020 / 2021
3. Payment of suppliers invoices within 30 days	Suppliers Contractors Consultants Municipalities	Payment of legitimate supplier invoices within 30 days	Quantity:	100% of legitimate invoices paid within 30 days.	99% of legitimate invoices were paid within 30 days during 2020/21 financial year. • Payment of suppliers invoices were paid in line with the National Treasury Section 38(1)(f) of the PFMA • Treasury Regulation 8.2.3 and • Instruction Note 34 of 2011

2.2.3. Batho Pele arrangements with beneficiaries (Consultation Access etc.)

Key Service 1: Manage Leases (Lease-in and Lease-out)

Key Services	Service Beneficiary	Performance Area	Batho Pele Principle	Desired standard	Actual Achievement
				2020 /2021	2020 /2021
1. Manage Leases (Lease-in and Lease-out)	User Departments and Tenants	Expense leases (Lease-in) and Income leases (Lease-out) provided within valid period	Consultation:	The Department will continue to engage with User Departments on the office accommodation issues through User Forums, Property Summits, Annual and Quarterly Imbizos and Monthly meetings will be held with tenants	• The Department engaged with User Departments for office space through user forum meetings, bilateral meetings and quarterly meetings during the 2020/21 financial year.

Key Services	Service Beneficiary	Performance Area	Batho Pele Principle	Desired standard 2020 /2021	Actual Achievement 2020 /2021
			Access:	Tenant Forums and Complaints Registers will be accessed at Regional Offices. A Programme for managing Leases (notification, decision and appropriate action on Lease Renewals, Terminations, and Reviews) will be established and implemented at Head/Office level	• Forums where tenants participated took place to address issues pertaining to lease agreements. • Complaints Registers were accessed at Regional Offices. • A Programme for Managing Leases (notification, decision and appropriate action on Lease Renewals, Terminations, and Reviews) was developed and implemented at Head/Office level.
			Courtesy:	Property Management staff and Front-line customer care officials will continue to interact courteously with User Departments and Tenants. All these officials will be provided with personalized name tags to ensure ease of identification should the client be dissatisfied. Clients will be allocated a spacious waiting area.	• Client Departments and tenants are welcomed by the Departmental staff and front-line customer care officials at Head Office/ Regional offices. • All these officials were provided with a name tag to ensure ease of identification should dissatisfactory service was received by our clients. • Clients of the Department were also allocated a spacious waiting area at head office prior to consultation.

Key Services	Service Beneficiary	Performance Area	Batho Pele Principle	Desired standard 2020 /2021	Actual Achievement 2020 /2021
			Openness and Transparency:	The Department will continue to engage with User Departments for office space through User Forum meetings, Bilateral meetings and Quarterly meetings	• User Forum meetings, Bilateral meetings and Quarterly meetings were utilised to make information available to the users.
			Information:	Information will be disseminated annually through Immovable quarterly sessions and Outreach Programmes	• Information was circulated annually through Immovable quarterly sessions and Outreach Programmes.
			Redress:	Redress will continue to be done through a Customer Compliments and Complaints Register that is managed by a fully-fledged Customer Care Unit. All complaints received through the Presidential Hotline, DPW's Hotline, walk-ins and electronically will continue to be escalated to the relevant Head of Programmes and Districts.	• Customer complaint handling system was utilised as a Redress mechanism. • The management of existing suggestion boxes through the appointment of Complaints Management Committee was managed by the fully fledged Customer Care Unit.
			Value for money:	Value for money will continue to be informed by assessing the ***three E's (which are Economy, Efficiency and Effectiveness).***	• The procurement and in-house activities were assessed to ensure that the service is provided in an economical manner.

Key Services	Service Beneficiary	Performance Area	Batho Pele Principle	Desired standard	Actual Achievement
				2020 /2021	2020 /2021
				Business Processes and Standard Operating Procedures will continuously have to be reviewed in order to identify waste and be streamlined and optimized to ensure efficient and effective provision of this service. The Department will also continue to implement various other activities, to derive value for money like reviewing and implementing new Space norms and Standards, implementing market-related rentals and implementing the approved Revenue Strategy.	• Business Process Mapping and Standard Operating Procedures were reviewed to identify waste and streamlined to ensure efficient and effective provision of this service. • The Department implemented various other activities to derive value for money: reviewing and implementing New Space Norms and Standards, implementing market-related rentals and implementing the approved Revenue Strategy. • The Revenue Strategy was also rolled out to User Departments for collection of revenue. • The Revenue Strategy has been rolled out to User Departments for collection of Revenue.

Key Service 2: Project Implementation (Works)

Key Services	Service Beneficiary	Performance Area	QQ	Desired changes in performance targets	Actual Achievement
				2020 / 2021	2020 / 2021
Project Implementation (Works)	User Departments MECs MPLs ECDPW Officials	Infrastructure projects completed within agreed time period	Consultation:	Infrastructure Forum meetings will be conducted on monthly basis. IDP Forums will be conducted at Municipality level on quarterly basis	Infrastructure Forum meetings were conducted on Monthly basis with Client Departments. IDP Forums were also conducted at Municipality level on a Quarterly basis, where district departmental officials were invited.
			Access:	Frontline personnel, Customer Care staff, Programme Managers will be trained on "Batho Pele Principles" regarding how to deal with stakeholders. The sitting arrangement of Customer Care Officers and Security Officers will continue to be monitored to ensure that it is user friendly.	Frontline personnel, Customer Care staff, Programme Managers were trained on "Batho Pele Principles" regarding how to deal with stakeholders. The sitting arrangement of Customer Care Officers and Security Officers was monitored continuously.
			Courtesy:	Frontline personnel, customer Care staff, Programme Managers, will continue to be trained on 'Batho Pele Principles' on how to handle stakeholders with care.	Frontline personnel, Customer Care staff, Programme Managers, were trained on 'Batho Pele Principles' on how to handle stakeholders with care.
			Openness and Transparency:	The Department will continue to provide information during monthly Forums at District Municipality level, through District Directors.	Monthly Forum meetings at District Municipality level, through Regional Directors, were utilised to provide information.

Key Services	Service Beneficiary	Performance Area	QQ	Desired changes in performance targets	Actual Achievement
				2020 / 2021	2020 / 2021
				There will be continuous Public Service Week, Internal Newsletter (Bazaw'sazi), external Flyers, IKM Bulletin, Notice Boards, Website Notices, E-mail Notices and MEC / HoD consultation Sessions APP, MEC's Budget.	Public Service Week was held in Sarah Baartman Region, Internal Newsletter (Bazaw'sazi), external flyers, IKM Bulletin, Notice Boards, Website Notices, E-mail Notices and MEC / HoD consultation Sessions.
			Information:	Information will continue to be disseminated monthly through Infrastructure Forum meetings	Information was disseminated monthly through Infrastructure Forum meetings that are held by the Department with its stakeholders.
			Redress:	The Department will continue to communicate back to communities through Portfolio Committee meetings and Forums, to consult with the affected communities, offer an apology where necessary, give full explanation and commit to rectify the situation if there are problems encountered. Community Liaison Officer will continue to be appointed from the same community in order to be able to update the community.	MEC outreach programmes / HOD Consultation sessions to consult with the affected communities, offer an apology where necessary, give full explanation and commit to rectify the situation if there are problems encountered.

Key Service 3: Payment of suppliers invoices within 30 days

Key Services	Service Beneficiary	Performance Area	QQ	Desired changes in performance targets	Actual Achievement
				2020 / 2021	2020 / 2021
Payment of suppliers invoices within 30 days	Suppliers Contractors Consultants Municipalities	Payment of legitimate supplier invoices within 30 days	Consultation:	Demand Management Unit (SCM) will continue engaging the suppliers telephonically, supplier day and contractor Conferences.	• Contractor and consultants' engagements sessions were held where information was shared in relation to the plans of the Department. Contractors' concerns and needs were considered and resolutions were taken to ensure maintenance of mutual relations
			Access:	Beneficiaries will access the Department physically at Head Office and Regions through Telephones, Emails, National Treasury Database and Newspapers.	• Suppliers accessed the Department on a face to face basis at Head Office (Bhisho) and all six District Offices.
			Courtesy:	To continuously train Departmental personnel.	• Training of the Communication Service Unit personnel on Batho Pele principles with the assistance of the Office of the Premier on how to handle stakeholders with care could not happen due to COVID-19 restrictions
			Openness and Transparency:	The Department will continue to engage with beneficiaries	• Sessions were conducted to clarify

Key Services	Service Beneficiary	Performance Area	QQ	Desired changes in performance targets	Actual Achievement
				2020 / 2021	2020 / 2021
				through Telephones, Emails, National Treasury Database, Noticeboards and Newspapers.	requirements and ensure that payment of suppliers within 30 days' processes are fair, open and transparent to all. • The Department also informs suppliers on unpaid invoices
			Information:	Beneficiaries will access the departmental information physically at Head Office and Regional Offices, through Telephones, Emails, National Treasury Database, Notice boards and Newspapers.	• Sessions were held to clarify requirements and ensure that payment of suppliers within 30 days' processes are fair, open and transparent to all. • The Department also informs suppliers on unpaid invoices using the Provincial Treasury tool called "Have I been paid (HIBP)"
			Redress:	The Department will communicate back to suppliers through supplier day sessions and forums to consult with the affected suppliers and offer an apology where necessary and give full explanation and commit to rectify the situation if there are problems encountered.	• Sessions were held to clarify requirements and ensure that payment of suppliers within 30 days' processes are fair, open and transparent to all. The Department also informs suppliers on unpaid invoices. • When invoices are paid after 30 days the programme affected is required in writing, to

Key Services	Service Beneficiary	Performance Area	QQ	Desired changes in performance targets	Actual Achievement
				2020 / 2021	2020 / 2021
					give reasons for the late payment.
			Value for money:	This service will be rendered free of charge and the Department has conducted Business Process Mapping in order to ensure that payments are done within 30 days and that the Department pays for services rendered.	• The processes were mapped and standard operating procedures defined, to identify unnecessary bottlenecks so as to ensure the provision of this service is in an efficient manner. • The programme has enforced the utilisation of Invoice tracking tool where all invoices received are captured and traced until payment is done. Prioritisation of invoices more than 20 days to be paid first so that they do not reach 30 days.

2.2.4. Service Delivery Information Tool:

Current/ actual information tools	Desired information tools	Actual achievements
Due to COVID-19 pandemic, the Department had to devise new means of information dissemination to its public through the maximum use of technology. The current arrangements were dissemination of information through face to face with the public during department events. Issuing of a quarterly printed newsletter to communicate departmental programmes and initiatives. Utilisation of the website of the Department to upload departmental information. Participation in Intergovernmental events and showcasing department work	• The Department aims to have more followers or likes in the departmental Facebook page for more reach and impact • Training of officials to keep the website up to date with information	• Utilisation of the department Facebook page to communicate departmental programmes and policies. • Utilisation of the department sms messages to communicate COVID-19 information/notices to the staff members. • Maximum utilisation of the digital space including newsletters now disseminated digitally. • Revamping of the website has now been completed to assist with uploading departmental information.

2.2.5. Complaints mechanism

Current/ actual complaints mechanism	Desired complaints mechanism	Actual achievements
The Department receives complaints through the following platforms: • Written correspondence • Telephone enquiries • Facebook page comments and inbox • Toll free line DPW • Presidential hotline • Suggestion boxes	• The Department aims to have a fully-fledged customer care call centre, through the ICT as an enabler, which will encompass all the complaints of the department from all the three programmes of the department.	• The availability of Customer Care Public Liaison Officers (PLO's) in Head Office and the accommodation of Regions in the structure for PLOs will make the complaints mechanism flow better. Currently the PLOs in Head Office attend to client complaints. Regions channel their complaints to the Regional Director to resolve. • The Department has a complaints register that is updated every time a client lodges a complaint. Almost 100% of the complaints that the department receives are resolved.

2.2.6. Organisational Environment

The Department's special focus in the new Strategy cycle is on configuration of the technical functioning and day to day operations to meet the requirements of a capable and developmental state. It continued to pursue commitments made in the Strategic Plan and Annual Performance Plan, of building a Responsive and citizen centric and Resilient and Capacitated department.

To build capacity, PIMO was established as a short term intervention to augment the existing capabilities and build a department that is an Implementing Agent of choice for all infrastructure delivery and coordination functions in the Province. Support services personnel were provided by PIMO to departmental programmes.

DPW strengthened Leadership and Management capacity by restructuring its Senior Management echelon, focussing on key priorities of the transformational agenda in line with its Strategic Plan.

However, there is a challenge of vacancies in key senior management positions, in particular those that drive the core mandate of the Department although the vacancy rate is still maintained at 7,1% which is still below the DPSA threshold of 10%.

In an endeavour to accelerate skills development pipeline a total of 100 Candidates which were part of the departmental bursaries scheme programme were placed into the Professional Development Programme. Fifteen (15) have attained their Professional Registration, whilst three (3) were permanently appointed as professionals in the Department. Moreover, the Department has placed thirty-five (35) ex-bursary holders as Technical Interns as at 31 March 2021. The Department also capacitated its senior and middle managers through various skills development initiatives.

There is improvement in the level of assurance provided at various levels by leadership and various governance structures, i.e. Risk Management and Audit Committee, etc. The Department will continue to monitor the implementation of action plans, policies and procedures to address internal control deficiencies, exercise oversight responsibility regarding financial and performance reporting and compliance to legislation as well as related internal controls. The achievement of unqualified audit opinion with positive reduction in a number of material findings in the audit report than the previous years is a significant improvement towards clean administration.

In ensuring growing, innovative and diversified SMME led economy 89% of goods and services & capital expenditure items were awarded to local suppliers (SMMEs, EMES and QSEs). Furthermore, the Department continued to pay service providers within 30 days and has achieved 99% payment of valid invoices for the period under review providing much needed financial relief to SMMEs.

To improve efficiencies within departmental operations, business processes, were revised in the following key areas: recruitment, selection and appointment, bursary management, labour relations & wellness, with the intention to finalise all business mapping processes in the next financial year. The ICT strategy of the Department was adjusted to provide additional tools and support to the new way of conducting business as a result of Covid-19 pandemic. The management and governance of ICT has improved in relation to the COBIT 5 maturity level score.

The following are some of the organisational challenges experienced by the Department:

- Employment Equity targets remain a challenge for the designated groups as follows:
    - Women in SMS level achieved 39% of the set target a 1% increase from the previous year.
    - Youth in SMS has recorded zero achievement as it is difficult to attract young people who meet the requirements of SMS post as per the DPSA guidelines.
    - People with disabilities increased from 1% to 1.2% still below the 2% target set.
- Limited capacity, budget and agility within ICT to innovate to ensure that IT enables business has even been more prominent during the COVID-19 lockdown period;
- Insufficient budget to adequately perform service delivery programmes, the condition which has worsened due to budget cuts and adjustments as a result of COVID-19 pandemic.
- Delays in the approval of the Organisational Structure to deliver on the redefined mandate.
- Predominance of an ageing skills population, especially in relation to technical skills.

2.2.7. Key policy developments and legislative changes

There were no key policy developments or legislative changes that had a bearing on the mandate of the Department in the period under review.

2.3 Progress towards achievement of Institutional Impacts and Outcomes

This report marks the first year of DPW implementation of the 6th Administration commitments and priorities. It is indeed a continuation of the priorities of government in the 5th administration with adjusted focus on issues that should take the South African democracy forward to the ideal capable, ethical and developmental state that will serve public interest. Key impacts that national and indeed Provincial government wants to see is a flourishing province with a **growing economy** that will lead

to **reduced unemployment and reduced poverty** among its citizens. It wants to see **thriving citizens** participating and benefiting equally from the economy and services of the state.
To contribute towards the impact of reducing all forms of poverty and inequality and promoting inclusive socio-economic development and prosperity, DPW will, amongst others:

- utilise its assets productively by leveraging on infrastructure and immovable assets in its custody to generate investment opportunities;
- implement (deliver) infrastructure focusing on transformational issues like promoting SMMEs, LED, bridging the equity gap by extending involvement of HDIs and designated groups to make the property sector more inclusive;
- ensure that the Eastern Cape citizenry have a decent standard of living through equitable / universal access to basic services, high quality infrastructure, job opportunities and access to economic activity;
- focus on integrated processes of planning and delivery to ensure that infrastructure is an enabler and a critical contributor to economic activity and growth.

All of the above is intended to enable economic growth and social upliftment that will move most people and eventually the country from poverty to prosperity as opportunities of employment and /or entrepreneurship are opened up.

Given the background outlined above this report intend to give a clear picture of the DPW's outcomes or medium –term results envisaged to achieve the impacts; the current position, where it is heading and how it plans to get there. The objective is to enable all stakeholders to make an informed assessment of the Department's performance and its ability to deliver on its mandate. Below is a reflection of the first year's successes and / or failures in making progress towards achieving the Department's outcomes over the 2020/21 -2024/25 Strategy Cycle.

In line with Priority 1 of the 2019-20 to 2024-25 Medium Term Strategic Framework (MTSF), DPW focus its attention to transforming itself to be a "Capable, Ethical and Developmental institution of the State" through the following outcomes:

- **Building a resilient and capacitated Public Works:** This would be accomplished first and foremost by ensuring that the Department has functional, efficient and integrated plans that are consistently implemented and monitored by management and the Executive Authority. The 2020/21 – 2024/25 Strategic Plan, 2020/21 APP that integrate the global, national, provincial and local government priorities were developed and tabled promptly in line with the revised planning frameworks of government. The MEC's Service Delivery Agreement (SDA) was also successfully aligned to Provincial and Departmental plans.

Implementation of the plans was, however, largely disrupted by the COVID-19 lockdown regulations. As a result, the Department fell short of conducting all envisaged performance reviews by the MEC. The attention was redirected to overseeing progress on the refurbishment of the COVID-19 sites. In that regard 57 against the planned 24 oversight visits were conducted by the OMEC, far exceeding the plans by 33 outreach activities. In relation to the entire Departmental performance, adequate oversight was played by the Executive Management Committee (EXMA), the Top Management and the Audit Committee. Despite all efforts to salvage the situation, the Department fell short of the targeted 95% achievement of its annual targets but is still proud to have achieved 82% of its planned targets for the year despite the trying circumstances.

In building its resilience through skilled and capable workforce, the Department forged ahead with its Professional Development Programme and managed to register 15 professionals during the year under review, 5 more than targeted and improved its general Human Resource (HR) effectiveness score to 87%, 8% higher than was targeted. The HR effectiveness relates to a number of HR key performance areas like HR playing a strategic partner role, change champion role, employee champion role and various other aspects of its technical dimension like organisational design and development, recruitment and employee lifecycle management, Human resource utilisation and Development and quality of work life and environment. The latter providing the most prominent support to employees, their families and management during the time of the pandemic.

Other indicators that intend to build institutional capacity like the implementation of the Annual Recruitment Plan, achievement of employment equity targets; service delivery innovation and improvement through the Operations Management Framework (OMF) as well as agile and enabling technological platforms were very much challenged by the environment within which we had to operate during the year under review. Other indicators that suffered include those that, by nature require contact session, like finalising litigations within 90 days, empowerment activities for designated groups. As a result, the Department did not do well on such indicators.

The Department is proud of its resilience in terms of its prudent financial management practices of ensuring that all DPW programmes use and manage resources efficiently and operate with fiscal responsibility and discipline. This is evident in the improved Financial Management capability maturity model assessment score of 2.98, 0.5% more than planned, 99% of valid invoices were paid within 30 days; 100% expenditure of property rates and taxes invoices from municipalities was achieved as well as an over collection of R17 million against the planned R12 million revenue collection. The underachievement in the implementation of Procurement Plan was the delay caused by COVID-19 pandemic since the department had to reprioritize its activities to focus on COVID-19 procurement. The Department opened the 1st year of the 2020/21 -2024/25 strategy cycle with an unqualified audit opinion from the Auditor General of South Africa (AGSA) This achievement is consistent to the audit outcome received by the Department throughout the previous strategy cycle, the 5th term. Of noticeable achievement is a positive reduction in a number of material findings in the audit report to reach a level planned for the 2022/23 financial year.

During the year under review, the Department started to work on improving its image and brand as a capable, ethical and developmental institution of government through improving intergovernmental relations and engaging citizens. The outcome that we want to realise is to be a **Responsive and citizen centric Public Works.** The Department exceeded targets set on all indicators it set against this outcome; 57 out of the planned 24 outreach programmes were conducted by the Office of the MEC and 98% against a planned 96% improvement in the response rate to the Presidential and Departmental Hotline was achieved. The first steps of founding the public perception about DPW was measured through establishing a baseline of 57% negative media reports. In the forthcoming years, the Department will work towards reducing negative media reports and thus improve its image as a developmental state.

- **Productive Asset and Infrastructure Investment** through optimal utilisation of the provincial Asset Portfolio to increase investment through interventions that facilitate revenue generation, retention as well as mobilisation of public investment (direct domestic (DDI) and foreign investment (DFI) as a lever for economy growth of the Eastern Cape and the country at large. These will, in turn, contribute towards opening entrepreneurship, job and skills development opportunities to alleviate the triple challenges of unemployment, inequality and poverty.

  This was being initially envisaged to be accomplished through the Property Investor Conference which was postponed due to the COVID-19 related Lockdown regulations and later an EXCO resolution to conduct an integrated Economic Development Conference. Although the Property conference and ultimately the conclusion of long-term leases did not materialize, alternative methods resulted in awarding of 15 properties with an estimated revenue of R838 million over the 30-year lease period by the end of the financial year. These leases are currently awaiting Premier approval; the actual lease agreements will be concluded in the next financial year. Amongst these was the approval to award Erf 1, Bhisho (old Amatola Sun Hotel), for long-term leasing and development of a hotel and related facilities. This project alone is envisaged to generate R1.2 billion over 99 years.

  In addition, revenue generated from residential leases of state-owned properties including cell masts, communication towers and parking resulted in over-collection of R17 million against the target of R12 million. Based on the above achievements, the Department considers itself being still on track towards achieving its 5-year target of generating R252.6 million since there are 267 properties in the Bid Book that was compiled by the Department.

- The above-mentioned initiatives will open opportunities for a **"Transformed and inclusive property and construction industry**" through optimizing entrepreneurship and job opportunities for socio-economic transformation of emerging SMMEs (Cooperatives, emerging contractors, town and village economies) and HDIs in general. In relation to this outcome the Department has progressed well towards its 5-year target. COVID-19 provided an opportunity for directing procurement for the purposes of providing economic relief to the emerging SMMEs in our infrastructure space. The following over – achievements were noted in relation to the transformation outcome:

- ✓ 9% against the targeted 5% infrastructure budget was set aside for direct contracting (ICDP) SMMEs EMEs & QSEs prioritizing designated groups;
- ✓ 40% instead of the planned 35% infrastructure capital expenditure items were sourced from Local suppliers, manufacturers and / contractors;
- ✓ 89% against the targeted 75% awarding of goods and services & capital expenditure items were sourced from local suppliers, manufacturers and / or contractors;
- ✓ 46% against the target of 40% of leases were concluded with black landlords;
- ✓ 177 instead of the planned 160 emerging contractors were supported in ICDP incubator; and
- ✓ 26 SMMEs against the target of 20 were upgraded to a higher CIDB grading.

There were, however, some areas that the Department fell short of achieving its planned targets. The finalization of Property Incubator Policy that would have seen 50 new entrants in the Property industry as well as the Infrastructure and Construction SMME Development Strategy were not achieved due to internal capacity constraints as well as consultation sessions that could not materialise due to national lockdown restrictions. In the cases of the targeted hectors of land to be released for spatial transformation and social justice as well as government owned properties released toward spatial transformation and justice, the underachievement was due to external factors like the delayed receipt of Council Resolutions from municipalities and receipt of the expected land claims requests from the Regional Land Claims Commission (RLCC).

As stated above, the major impact that South Africa wants to see is that all its citizens attain a decent standard of living through the alleviation of poverty and reduction of inequality. The latter would be attained through, amongst others, equitable access to core elements of a decent standard of living including quality education and quality healthcare. To contribute towards the 6th administration objectives of social upliftment of citizens the Department adopted an outcome of affording Dignified Client Experience by providing reasonable and functional accommodation and facilities management services that facilitates the delivery of frontline services that are suited to the requirements of the public. Key to dignified experience of users are buildings that have the required access facilities for persons with disabilities and generally compliant to all aspects of the Occupational Health and Safety Act

This would be attained through, amongst others:

- ✓ effective and efficient construction, maintenance and operation of all physical spaces for government (State -owned or Leasing of private office accommodation) including provision of facilities Management Services that contribute towards a dignified experience for our clients:
- ✓ construction of prioritized basic infrastructure for DOE (sanitation, fencing and hostels), continuously replacing unsafe school buildings and sanitation service and ensure that public ordinary schools meet the basic services norms and standards.
- ✓ ensuring that health facilities have basic infrastructure (water, sanitation, electricity and fencing) and that PHC centres meet the basic services norms and standards.

Tremendous progress towards realising this outcome can be seen through 190 condition assessments conducted to ensure that the condition of state-owned buildings is known and plans to improve these buildings are put in place, completion of all planned maintenance projects as well as 22 of that meet specific norms and standards. Of special noting is the completion of the unplanned seventy-five (75) refurbishment and maintenance of Health Facilities across the province as well as securing 253 properties to provide quality and dignified experience through quarantine and isolation sites for COVID-19 purposes. The Department also has 41 out of the 57 planned capital infrastructure projects under construction and 12 out of the targeted 11 were completed. These include three schools, six social development service stations, two traditional councils and water and sanitation project in Tafalofefe hospital. These are physical spaces through which citizens would interact with government in a dignified manner.

- The outcome of **Optimised Job Opportunities** focuses on the restructuring some of the programmes of the Department to optimize the creation of work opportunities in the delivery of infrastructure and through the Expanded Public Works Programme (EPWP) and also to create more work opportunities through the coordination of EPWP implementation amongst Eastern Cape public bodies at large thereby contributing towards poverty alleviation and the reduction of unemployment in the Eastern Cape Province. In 2019 the President announced that 5 million work opportunities will be created nationally through EPWP Phase 4 (2019 – 2024). The Eastern Cape is expected to contribute **478 267** work opportunities towards this national effort. While the Provincial Annual target for 2020/21 was 93 687 work opportunities in all districts of the EC, the DPW targeted 3 960 work opportunities. Through the Department's coordination efforts, both DPW and the EC Province exceeded the targets by creating 4 434 and 123 014 work opportunities respectively. The EPWP Programme is continuing on its commendable effort to put bread on the table and push most destitute families of the Province at least above the lower-bound poverty line which is the 2019-24MTSF target.

- An integrated approach to infrastructure development is essential for realizing an impact of Infrastructure being an enabler and a critical contributor to economic activity and growth. This starts with developing an effective infrastructure management capability that aims to improve the life-cycle management of infrastructure from preliminary conception and planning through to maintenance and replacement. The Department achieved all planned aspects of **Improved Immovable Asset Management and Custodianship of all Provincial Assets and Facilities**. The Immovable Asset register (IAR) was updated through the verification of 4 540 assets and recording of further 7 698 assets that were confirmed vested, disposed, consolidated etc. These activities ensure that our IAR provides credible, up-to-date, reliable, integrated, secure and usable data and information to all users to enable efficient management of the Immovable Assets throughout the lifecycle.

2.4 Institutional Programme Performance Information

2.4.1. Programme 1: Administration

A. Purpose

To provide leadership, administrative, strategic, financial and corporate support services to the core programmes of the department in order to ensure that it delivers on its mandate in an integrated, efficient, effective and sustainable manner.

B. Sub-Programmes of Programme 1

- Office of the MEC
- Management of the department
- Corporate Support

List of institutional outcomes of the programme

- Responsive and citizen centric Public Works
- Resilient and Capacitated Public Works
- Transversal Infrastructure Coordination

C. Outcomes, Outputs, Output indicators Performance Indicators and Targets for Programme 1: Administration

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations	Reasons for revisions to the Outputs/Output indicators/Annual Targets
Resilient and Capacitated Public Works – Skilled and capable DPW including, technical, leadership	DPW Business Architecture in place: • Revised SDM • SDM aligned organisational structure	Number of OMF building blocks in place (SDM, Organisational structure, Business Processes, SOPs, Organisational Functionality	New indicator	New indicator	7	5	-2	The SDIP building block was delayed due to COVID-19 pandemic and DPSA deferred it to 2021. The SDM building block was not	Target of 8 was revised to 7 due to the APP that was revised following the tabling of the Special Adjustment Appropriation for the

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations	Reasons for revisions to the Outputs/Output indicators/Annual Targets
and management staff	• Change Management Strategy in place • Skills audit completed • A provincially aligned skills Development Plan in place, implemented and continuously improved; • Increased number of registered professionals	Assessment, Service Standards, SDIP and Service Delivery Charter)						reviewed due to delays in issuing the Provincial proclamation on DPW new mandate for the 6th administration.	2020/21 financial year.
Resilient and Capacitated Public Works – Prudent and sustainable management of departmental resources	Improved Financial Management Capability	Rand value of revenue generated	New indicator	New indicator	R12 million	R17 million	+R5million	The overcollection is attributable to recovery of old debt, following hand over of defaulting debtors in OR Tambo and Amathole Regions	Revised from R42 million to R12 million due to the APP that was revised, following the tabling of the Special Adjustment Appropriation for the 2020/21 financial year.

D. Outcomes, Outputs, Output indicators Performance Indicators and Targets for Programme 1: Administration

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
Responsive and citizen centric Public Works-Improved intergovernmental relations and engagement with citizens	Engaged DPW stakeholders	Number of outreach programmes undertaken by MEC	31	24	24	57	+33	The overachievement was due to the oversight visits on the refurbishment of hospitals during the COVID-19 pandemic.
	Level of participation in intergovernmental structures and approved matrix for following up on issues & decisions (IGR, interdepartmental request)	% implementation of resolutions and actions from intergovernmental structures	New indicator	New indicator	95%	67%	-28%	The underachievement is due to shortfall that relates to the resolutions that are ongoing (e.g. a resolution on office accommodation which is currently in the process of implementation)
Positive Public works Brand	Media Monitoring reports	% Reduction in negative media reports	New Indicator	New Indicator	Set baseline	Baseline set at 57%	N/A	N/A
	Approved 5 year communication strategy and 1 year plan in place and implemented	% Implementation of the communication plan	New Indicator	New Indicator	85%	100%	+15%	The implementation of actions and control to mitigate or reduce the risk of underperformance resulted in positive improvement in the Departmental performance on this indicator
	Presidential hotline response report	% Improvement rate from the	New Indicator	New Indicator	96%	98%	+2%	The implementation of actions and

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
		Presidential and Departmental Hotline						control to mitigate or reduce the risk of underperformance resulted in positive improvement in the Departmental performance on this indicator
Resilient and capacitated Public Works Transformed, Integrated and innovative Service Delivery;	Functional , efficient and integrated DPW	% alignment of the MECs Service Delivery Agreement to POA and Departmental Plans	New Indicator	New Indicator	100%	100%	N/A	N/A
		Number of performance reviews conducted by the MEC	New Indicator	New Indicator	3	1	-2	The underachievement is due to quarterly reviews that were not convened as per the reporting schedule, due to adherence to lockdown regulations. However, performance was reviewed by the EXMA, Audit Committee and Top Management.
		% of the overall departmental performance	New Indicator	New Indicator	95%	82%	-13%	The underachievement on departmental performance is due to slow implementation of

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
								plans by individual programmes as a result of COVID-19 pandemic
Resilient and Capacitated Public Works- Improved Governance and accountability at DPW	Approved Litigation reduction strategy in place	% reduction of litigations against the Department	New Indicator	New Indicator	5%	8,6%	+3,6%	Target exceeded due to resolution of more litigations than originally estimated and targeted. The litigations were reduced from 104 to 95.
	Effective coordination of Assurance Providers	An improved combined Assurance Programme maturity assessment score	New Indicator	New Indicator	Level 1	0	- Level 1	Some sub-activities that were planned were not executed / completed due to disruption of coordination efforts by the lockdown regulations. These sub-activities are moved for implementation and completion in the first and second quarters of 2021/22).
	Effective implementation of Enterprise Risk Management Process in the Department	Number of employees doing business with the state	New Indicator	New Indicator	0	0	N/A	N/A
		% implementation of Risk Management Plan in the Department	New Indicator	New Indicator	100%	100%	N/A	N/A

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
		% implementation of Ethics Fraud and Anti-corruption plans by department	New Indicator	New Indicator	100%	100%	N/A	N/A
	DPW Business Architecture in place: • Revised SDM • SDM aligned organisational structure • Change Management Strategy in place • Skills audit completed • A provincially aligned skills Development Plan in place, implemented and continuously improved; • Increased number of registered professionals	Number of OMF building blocks in place (SDM, Organisational structure, Business Processes, SOPs, Organisational Functionality Assessment, Service Standards, SDIP and Service Delivery Charter)	New indicator	New indicator	7	5	-2	The SDIP building block was delayed due to COVID-19 pandemic and DPSA deferred it to 2021. The SDM building block was not reviewed due to delays in issuing the Provincial proclamation on DPW new mandate for the 6th administration
		% Improvement on HR effectiveness	New indicator	New indicator	79%	87%	+8%	The overachievement is as a result of improved HR KPAs in the following: strategic partner role, quality of work, organisational development and design
		% implementation of approved ARP	New indicator	New indicator	95%	58%	-37%	The national lockdown interrupted the normal contact recruitment processes and the

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
								Department took time to adjust to new ways of working All posts that were not finalised were referred to 2021/22 financial year
		% of disciplinary cases finalised within 90 days	New indicator	New indicator	100%	12,5%	-87,5%	The underachievement is due to cases that could not be finalised within the prescribed timeframe as a result of delays in committee sittings, unavailability of witnesses, complexity of cases and the COVID-19 restrictions.
		Number of candidates registered as professionals	New indicator	New indicator	10	15	+5	DPW managed to register 5 more professionals in the Professional Development Programme, due to availability of more projects to which the candidates could be attached because of COVID - 19.
		% achievement of employment equity targets (women at	New indicator	38% Women at SMS Level; 47% Youth;	50% Women	39% Women at SMS Level;	-11% Women at SMS Level;	The underachievement is due to posts that

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
		SMS Level, Youth in SMS, Youth and people with disability)		1% people with disability	at SMS Level;			were left vacant and could not be filled on time as the Department was awaiting the approval of the structure by DPSA.
					2% Youth in SMS;	0% Youth in SMS;	-2% Youth in SMS;	It is difficult to attract Youth in SMS due to stringent post requirements from DPSA.
					30% Youth;	31% Youth;	+1% Youth;	Target exceeded due to the departmental strategy to prioritise designated groups, especially the youth in employment opportunities. Currently the establishment which is made up of 404 youth employed permanently and 229 employed on contract out of 2 062 employees in the establishment plan.
					2% people with disability	1.2% people with disability	-0.8% people with disability	The underachievement is due to non-disclosure by employees despite efforts to educate

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
								employees about disability.
	Gender mainstreaming empowerment and equality including development of youth and persons living with disability	% implementation of planned women development programmes	New indicator	New indicator	95%	44%	-51%	The underachievement is due to competing priorities of coordinators, unavailability of budget for training and non-response by School of Governance to provide quotations for training and implement development programme for women in the department
		% Implementation of planned youth development programmes	New indicator	New indicator	95%	27%	-68%	The underachievement is due to youth programmes that could not be implemented fully as a result of COVID-19 restrictions.
		Approved policy on beneficiation of designated groups in place	New indicator	New indicator	1	0	-1	Capacity issues as well as COVID-19 lockdown restrictions delayed development and consultation processes on the draft policy.

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
Resilient and Capacitated Public Works – Prudent and sustainable management of departmental resources	Unqualified audit outcome	Number of material findings in the audit report	New indicator	New indicator	4	2	2	This is a positive reduction due to improved internal control environment. The Department has already achieved the improvement targeted for the 2022/23 financial year
		Number of matters of emphasis in the audit report	New indicator	New indicator	2	2	N/A	N/A
		An improved Financial Management capability maturity model assessment score	New indicator	New indicator	2.93	2.98	+.05	The Department improved its operations to meet the standards of the assessment.
	Improved Financial Management Capability	% implementation of Procurement Plan	New indicator	New indicator	95%	77%	-18	The underachievement in the implementation of Procurement Plan was due to the delay caused by COVID-19 pandemic and the Department had to reprioritise its activities.
		Rand value of revenue generated	New indicator	New indicator	R12 million	R17 million	+R5 million	The over collection is attributable to recovery of old debt following hand over

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
								of defaulting debtors in OR Tambo and Amathole Regions
		% of total budget spent on approved property rates invoices from municipalities	New indicator	New indicator	100%	100%	N/A	N/A
		% of invoices paid within 30 days	85%	97%	95%	99%	+4%	The implementation of actions and controls to mitigate or reduce the risk of underperformance resulted in positive improvement in the Departmental performance on this indicator
	Implemented Local Economic Development Framework	% awards of goods and services & capital expenditure items sourced from local suppliers, manufacturers and / or contractors (including EMEs and QSEs)	81.3%	94%	75%	89%	+14%	The overachievement is due to the department intensifying efforts toward targeted procurement from Eastern Cape-based service providers.
Resilient and capacitated public Works- Agile technology and enabling systems	Effective and efficient IT Operational System	Improved maturity level score of Departmental ICT governance based on COBIT 5 priority areas stated in the Corporate	1.75	Not assessed	2.5	2.83	+0.33	The overachievement is due to improvement on the maturity assessment scores of achieving the strategic objectives

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
		Governance of IT Framework						of "***providing strategic direction and support to achieve good governance at all times***".
		% of planned ICT strategy initiatives implemented	New indicator	New indicator	80%	60%	-20%	The underachievement is due to the following initiatives that constituted the 20% under-performance • Video conferencing equipment delivered to the department was not distributed and connected to all sites; • Late award of the service provider to supply and deliver 100 laptops as a result of the lockdown levels. • Laptops not available across the globe and stock

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
								for the Department
Transversal infrastructure coordination	Provincial Cluster aligned, coordinated and functional ECIP governance structures	% of ECIP / infrastructure Cluster Governance structures meetings operating according to their Terms of Reference (ToR)	New indicator	New indicator	80%	80%	N/A	N/A
	Functional, efficient and integrated infrastructure provision	% capacitation of the new function structure	New indicator	New indicator	80%	0%	-80%	The Departmental structure could not be implemented as it still awaiting approval by DPSA

E. Summary of Programme Performance

The programme has recorded **76%** achievement of targets, utilising **99%** of the budget allocated. The programme contributes towards building a resilient and capable public works. Noticeable progress towards being a capable and developmental institution of government is the extent to which the Department has built a skilled and capable workforce including, technical, leadership and management staff. To this end the Department has registered 15 candidates as professionals; many employees undertook various developmental programmes; 58% of the approved ARP was implemented; a new structure was updated with comments from DPSA, signed by the MEC and resubmitted to DPSA for concurrence.

Whereas the delays in the approval of the new organisational structure affected the capacitation of the Department and its ability to achieve employment equity targets for women, youth in SMS and people with disabilities; it also implies that DPW will be ready to further capacitate itself in the 2021/22 financial year and also have an opportunity to prioritise the designated groups.

Amongst the conspituous achievements that demonstrate that Public Works is a capable institution of government that is commitment to fulfil all its financial obligations and manages its financial resources prudently, is the attainment of unqualified audit outcome again this financial year; the continuous improvement of its Financial Management capability maturity model assessment score; the timely payment of all (100%) suppliers in 30 days, thus providing much needed financial relief to the SMMEs; payment of all municipality rates & taxes and exceeding the targeted value of R12 million and collected R17 million revenue thus greatly improving the fiscal pocket of the Province.

The programme has also made a great contribution towards the socio-economic transformation agenda of government and the Departmental outcome of transformation of the built environment through inclusion of local suppliers and SMMEs into the mainstream economy. 89% against a target of 75% of goods and services & capital expenditure items were awarded to local suppliers (SMMEs, EMES and QSEs). This was achieved through implementation of 77% of the procurement plan and additional procurement for Covid-19 related projects.

The year under review has also seen the consistent undisputable improvement in governance and accountability at DPW. This improvement is evident in the outcomes pertaining to Risk Management, Internal Audit and Audit Committee in the audit report. This is a product of strong commitment to integrity, ethical values and a resolute oversight including Portfolio and Audit Committees and its sub-committees as well leadership and management of the Department

Through various outreach and stakeholder engagement programmes led by the highest offices of the MEC, HOD and Heads of Regions, clients of DPW including local government structures; Property and Construction sector formations, beneficiaries of services delivered etc have been extensively engaged during this period. 57 engagements are sufficient evidence demonstrating that the ear of our leadership is on the ground. All demands for service, complaints and queries from walk-in, departmental and Presidential hotline are responded to. All of these efforts signal the Department is committed to serve the citizens and its clients to their satisfaction.

Although the COVID-19 pandemic had positive economic spin-offs, especially for the SMMEs, it also disrupted most operations in the country and the Department was not immune to that. Resources were re-prioritised and redirected to other programmes geared towards counteracting the effects of the pandemic. ICT, for example, had to deviate from initial initiatives planned in the ICT strategy and provide ICT services that will support the Department to adapt to the demands of the pandemic including working from home demands.

F. Strategy to overcome areas of underperformance

To improve the implementation of the ICT initiatives, the Department has a new rollout plan to implement the initiatives in the next financial year.

The input received from DPSA has been incorporated in the revised organogram and has been re-submitted to DPSA for approval, targeting the first quarter of the 2021/22 financial year.

The approval of the new organisational structure will improve the employment equity as there are posts for Senior Management services that will provide opportunities for employment of women and youth. The operational planning processes of the Department have been strengthened to resolve any bottlenecks to improve service delivery.

G. Linking budget with performance

Sub-Programme Name	2020/21			2019/20		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
1.1 Office of the MEC	9 821	9 821	-	10 807	10 807	-
1.2 Management of the Department	15 953	15 953	-	18 959	18 959	-
1.3 Corporate Support	463 466	460 828	2 638	550 702	545 884	4 818
Total	**489 240**	**486 602**	**2 638**	**580 468**	**575 650**	**4 818**

The programme recorded a total expenditure of 99% of its allocated budget, which contributed to 76% achievement of performance targets. The under-expenditure is attributable to the late award of the service provider, to supply and deliver 100 laptops as a result of the lockdown restrictions.

2.4.2. Programme 2: Public Works Infrastructure

A. Purpose

To provide specialist services to client departments in terms of building and Infrastructure planning, design, construction, management and maintenance and to play an "implementing agent" role for client departments in relation to their individual building and infrastructure needs.

B. Sub-Programmes

- Programme Support
- Design
- Construction
- Maintenance
- Immovable Asset Management
- Facility Operations

List of Institutional Outcomes that programme contributes towards according to the Annual Performance Plan

- Improved Immovable Asset Management and Custodianship of all Provincial Assets and Facilities
- Productive Asset and Infrastructure Investment
- Transformed and Inclusive Property and Construction Industry (Built Environment)
- Dignified Client Experience

C. Outcomes, Outputs, Output indicators Performance Indicators and Targets for Programme 2: Public Works Infrastructure

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations	Reasons for revisions to the Outputs/Output indicators/Annual Targets
IMMOVABLE ASSET MANAGEMENT									
Improved Immovable Asset Management and Custodianship of all Provincial	Updated IAR	Number of immovable assets verified in the Immovable Asset register (IAR) in accordance	4 403	4503	4485	4 560	+75	Overachievement was due to new Item 28(1) received from national and acquisitions. • The Department has no direct	The target was revised from 4520 to 4485. The closing balance of the audited list as on 31/03/2019 was

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations	Reasons for revisions to the Outputs/Output indicators/Annual Targets
Assets and Facilities		with the mandatory requirements of National Treasury						control on the factors impacting on the movement of audited properties, e.g. vesting	4485, hence the adjustment. The closing balance of the IAR (as per National Treasury Sector-Guide) forms the baseline for the next FY annual planned target. The closing balances are guided by the movements in the audit list (vestings, transfers, disposals, etc.) The APP was revised following the tabling of the Special Adjustment Appropriation for the 2020/21 financial year, in response to the implications of the global COVID-19 pandemic.
		Number of immovable assets recorded in the Asset Register (AR) in accordance with the mandatory requirements	New indicator	New indicator	7741	7 674	-67	The planned target was based on the number of unaudited assets as at 31 March 2021. During the course of the year assets are confirmed vested, disposed, consolidated and	The target was revised from 7626 to 7741. The closing balance of the un-audited list as on 31/03/2019 was 7741, hence the adjustment. The APP was revised following the tabling of the

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations	Reasons for revisions to the Outputs/Output indicators/Annual Targets
		of National Treasury						therefore the figure will vary.	Special Adjustment Appropriation for the 2020/21 financial year, in response to the implications of the global COVID-19 pandemic.
	Draft diagrams submitted to Surveyor General for approval	Number of State Land surveyed	New indicator	New indicator	300	300	N/A	N/A	Revised from 100 to 300. This increase was based on a resolution taken at the mid-year term Strategic Review, in order to fast-track the state survey implementation plan. The APP was revised following the tabling of the Special Adjustment Appropriation for the 2020/21 financial year.
Productive Asset and Infrastructure Investment	Appropriate investment secured for revenue enhancement initiatives like revenue generation and retention	Number of government commercial leases concluded (DDI & DFI	New indicator	New indicator	40	0	-40	Out of the 56 advertised properties, only 15 projects were compliant to the tender specifications and requirements. Conclusion of commercial leases is awaiting the Premier approval.	The target was revised from 75 to 40 due the APP that was revised, following the tabling of the Special Adjustment Appropriation for the 2020/21 financial year, in response to the implications of the global COVID-19 pandemic.
PUBLIC WORKS INFRASTRUCTURE									

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations	Reasons for revisions to the Outputs/Output indicators/Annual Targets
Dignified client Experience-Social Infrastructure Delivery (Capital and Maintenance)	Conditional Assessment report	Number of condition assessments conducted on state-owned buildings	272	300	150	190	+40	Target exceeded due to the easing of lockdown regulation thus enabling the Department to perform more condition assessments than originally estimated.	The target was revised from 300 to 150 due to the APP that was revised following the tabling of the Special Adjustment Appropriation for the 2020/21 financial year, in response to the implications of the global COVID-19 pandemic.
	Designs in place: Conducive environment for work created through provision of infrastructure for Education, Health and other user departments	Number of infrastructure designs ready for tender	15	6	10	22	+12	The target was over achieved due to COVID-19 pandemic and reprioritisation of more projects by the sector.	The target was revised from 12 to 10 due to the APP that was revised following the tabling of the Special Adjustment Appropriation for the 2020/21 financial year. in response to the implications of the global COVID-19 pandemic.
		Number of planned maintenance projects completed	New Indicator	New Indicator	4	5	+1	The overachievement is due to reprioritisation of the Clear View Fencing Project at Amatola Sun Site in Bhisho as a measure to mitigate the risk of local community invading the site.	The target was revised from 2 to 4 due to the APP that was revised, following the tabling of the Special Adjustment Appropriation for the 2020/21 financial year in response to the implications of

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations	Reasons for revisions to the Outputs/Output indicators/Annual Targets
									the global COVID-19 pandemic.

D. Outcomes, Outputs, Output indicators Performance Indicators and Targets for Programme 2: Public Works Infrastructure

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
IMMOVABLE ASSET MANAGEMENT								
Improved Immovable Asset Management and Custodianship of all Provincial Assets and Facilities	Updated IAR	Number of immovable assets verified in the Immovable Asset register (IAR) in accordance with the mandatory requirements of National Treasury	4 403	4503	4485	4 560	+75	The overachievement was due to new Item 28(1) received from national and acquisitions. The Department has no direct control on the factors impacting on the movement of audited properties, e.g. vesting
		Number of immovable assets recorded in the Asset Register (AR) in accordance with the mandatory requirements of National Treasury	New indicator	New indicator	7741	7674	-67	The planned target was based on the number of unaudited assets as at 31 March 2021. During the course of the year, assets are confirmed vested, disposed, consolidated and therefore the figure will vary.
	U-AMP	Number of U-AMP submitted to the relevant Authority	1	1	1	1	N/A	N/A

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
		in accordance with GIAMA						
	C-AMP	Number of C-AMP submitted to the relevant Treasury in accordance with GIAMA	1	1	1	1	N/A	N/A
	Draft diagrams submitted to Surveyor General for approval	Number of State Land surveyed	New indicator	New indicator	300	300	N/A	N/A
Productive Asset and Infrastructure Investment	Appropriate investment secured for revenue enhancement initiatives like revenue generation and retention	Number of government commercial leases concluded (DDI & DFI	New indicator	New indicator	40	0	-40	Out of the 56 advertised properties, only 15 projects were compliant to the tender specifications and requirements. Conclusion of commercial leases is awaiting the Premier approval.
		Rand value cost savings made through retention strategies	New indicator	New indicator	R20 million	0	-R20 million	The under-achievement was due to delay in the conclusion of the SLA with the service provider that would implement retention strategies. This was because of objections from other bidders and the National Lockdown. The service provider commenced with this work at the beginning of the 2021/22 Financial Year.

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
Transformed and inclusive property and construction industry (built environment	Optimised entrepreneurship opportunities	Hectares of land released for spatial transformation and social justice	New indicator	New indicator	11 500 ha	6 891 ha	-4 609 ha	The underachievement is due to receipt of less than expected land claims from the Regional Land Claims Commission (RLCC) and delays in council resolutions to process transfers
		Number of government owned properties released toward spatial transformation and justice	New indicator	New indicator	25	15	-10	Some bids were non-compliant according to the SCM prescripts and legislation resulting in non-awarding.
		Percentage of leases concluded with black landlords: Youth: 14 % Women: 10%; People with Disabilities: 1%	New indicator	New indicator	40%	46% Black African= 21% Black Coloured=2% Black Chinese= 1,5% Black Indian= 21,5%	+6%	Implementation of the Transformation Programme has resulted to more leases concluded with Black Landlords participating in the Property market. All future bids will include the category of youth, women and people with disabilities as preference.
		% Adherence to core service standards for maintenance as envisaged in the approved Departmental Service Delivery Charter 2018	New indicator	New indicator	95%	96%	+1%	Improved communication systems and procurement systems resulted to DPW responding and resolving all defects that were reported on Prestige and State-owned buildings.
PUBLIC WORKS INFRASTRUCTURE								

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
Transformed and inclusive property and construction industry (built environment	Optimised entrepreneurship opportunities	% infrastructure capital expenditure items sourced from Local suppliers, manufacturers and / contractors (including EMEs and QSEs)	New indicator	New indicator	35%	40%	+5%	The overachievement is due to the department intensifying efforts towards targeted procurement to Eastern Cape-based service providers.
		% infrastructure budget set aside for direct contracting (ICDP) SMMEs EMEs & QSEs prioritising designated groups (women, youth, people with disabilities)	New indicator	New indicator	5%	9%	+4%	The overachievement is due to the department intensifying efforts towards targeted procurement to ICDP, SMMEs, EMEs & QSEs
Dignified client Experience-Social Infrastructure Delivery (Capital and Maintenance)	Reasonable and functional office accommodation and Facilities management for user departments	% of energy efficient state-owned buildings	New Indicator	New Indicator	20%	20%	N/A	N/A
	Conditional Assessment report	Number of condition assessments conducted on state-owned buildings	272	300	150	190	+40	The overachievement is due to additional properties as a result of inaccessibility on some of the identified properties.
	Designs in place: Conducive environment for work created through provision	Number of infrastructure designs ready for tender	15	6	10	22	+12	Additional projects were over achieved due to COVID-19 pandemic and reprioritisation by the sector.

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
	of infrastructure for Education, Health and other user departments	Number of capital infrastructure projects under construction	New indicator	51	57	41	-16	Projects did not commence construction as planned for the year due to delayed planning as a result of budget reduction.
		Number of capital infrastructure projects completed	New Indicator	New Indicator	11	12	+1	The over-achievement is due to reprioritisation on projects, however one project which was part of the original plan namely, construction of Aliwal North Cluster offices was under achieved. The project closed the financial year at 95% completion and penalties will be applied.
		Number of planned maintenance projects awarded	6	1	6	7	+1	The overachievement is due to reprioritisation of the Clear View Fencing Project at Amatola Sun Site in Bhisho as a measure to mitigate the risk of local community invading the site.
		Number of planned maintenance projects completed	New Indicator	New Indicator	4	5	+1	The overachievement is the Emergency Fencing to Amatola Sun Hotel site which was reprioritised to mitigate the risk of local community invading the site.

E. Summary of Programme Performance

The programme has recorded 74% achievement of targets for Immovable Asset Management and 97% for Buildings, making an average of 86% performance during the year under review. The performance has been achieved utilising 98% budget.

The Department continued to contribute towards the **productive assets and infrastructure investment** through the award of 15 properties for revenue generation during the period under review. These include Erf 1; Bhisho (Old Amatola Sun Hotel), which will be redeveloped to contribute to alleviate the triple challenges of unemployment, inequality and poverty, through job opportunities and skills which will emanate from the construction of the hotel and related facilities.

In a bid to ensure Improved **Immovable Asset Management and Custodianship of all Provincial Assets and Facilities:**

- the Immovable Asset Register was updated with approvals of a total of 105 applications for the confirmation of vesting by the Provincial State Land Disposal Committee and successful completion of 300 new surveys.
- The Department commenced with a tender process, to conduct a comprehensive provincial land and tenure audit over a two-year period. It also officially launched the provincial-wide Operation Bring Back campaign in March 2021 in Mthatha to improve custodianship of provincial assets and facilities. The purpose is to enable the Department to provide information to its users and stakeholders that is credible, at the right time and format for effective use and management of assets throughout the life cycle

Transformation of the property sector and built environment remains a priority of the Department, the commitment resulted in 46% of leases were concluded with Black Landlords against the planned target of 40%. Another notable achievement is the allocation and award of 34% of the infrastructure capital budget to Local suppliers, manufacturers and / contractors and direct contracting (ICDP) SMMEs EMEs & QSEs prioritising designated groups (women, youth, people with disabilities.

The challenges emerging from utilising state portfolio for investment purposes included but not limited to the inability of potential investors to meet the requirements and the approval processes of releasing immovable assets for commercial leasing. The delays in hosting the Property Investment Conference also impacted the marketing of the properties and engagements with investors.

The Department provided functional and reasonable accommodation to ensure **Dignified Client Experience** to user departments for the attainment of their service delivery objectives, reasonableness include quantity, quality, environmental friendliness, safety, access. The following achievements are worth noting:

- To provide reasonable and functional office accommodation and facilities management to user departments, conditional assessments of 190 facilities has been conducted to ensure uninterrupted service delivery by Client Departments.
- 22 Infrastructure designs ready for tender to facilitate delivery of building infrastructure
- 5 planned maintenance projects completed
- 12 infrastructure project completed (3 schools, 6 service offices, 2 traditional councils and 1 water and sanitation project for a hospital for use by the Department of Education, Health, Social Development and Cooperative Governance and Traditional Affairs
- 20% of the state owned buildings are energy efficient to contribute towards the Green agenda of the Province.

Through the implementation of these projects, fifteen young graduates were able to attain their professional status in various fields of the Built Environment.

The Department has been at the forefront of the fight against the COVID-19 pandemic, by ensuring that hospitals are refurbished, maintained to provide appropriate health services to the Province. It further identified and secured properties for COVID-19 quarantine purposes. This included one (1) private properties, e.g. lodges and hotels and state-owned facilities (e.g. hospitals and nature reserves). This has led to reduction in budget and reprioritisation of resources as a result there were delays in the commencement of 16 capital infrastructure projects.

To provide reasonable and functional office accommodation and facilities management to user departments, conditional assessments of 190 facilities has been conducted to ensure uninterrupted service delivery by Client Departments.

F. Strategy to overcome areas of underperformance

To catch up on the under-achieved targets of hectares of land as well as government-owned properties released toward spatial transformation and justice, the Department will accelerate the disposal of all public service infrastructure and township establishment / commonage sites to municipalities and beneficially occupied sites in the current financial year. In this regard, the Department will be a signatory to an MOU, to inter alia, facilitate the release of land for spatial justice. The Municipal Land Forums will also be used as a vehicle to monitor progress in this regard.
The Department plans to survey 450 unsurveyed state domestic functions as part of its new two-year Survey Programme. The planned provincial-wide land audit will assist with the identification of more properties for revenue generation purposes. A robust marketing strategy is planned to market our revenue generation properties.

G. Progress on Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographic location (province/District/local municipality) (where possible)	No of beneficiaries where possible	Disaggregation of Beneficiaries (where possible)	Total budget spent per intervention R'000	Contribution to the Outputs in the APP (where applicable)	Immediate Outcomes
COVID-19	SS Gida Hospital	Amahlathi Municipality	N/A	N/A	282 296,84	Number of planned Maintenance projects awarded	Dignified Client Experience: Refurbishment of prioritised basic infrastructure for DOH to meet COVID-19 standards.
COVID-19	Victoria Hospital	Raymond Mhlaba Municipality			664 501,74	Number of planned Maintenance projects awarded	
COVID-19	Victoria Hospital Phase 2	Raymond Mhlaba Municipality	7		902 394,88	Number of planned Maintenance projects awarded	
COVID-19	Nompumelelo Hospital	Ngqushwa Municipality	N/A	N/A	254 237,90	Number of planned Maintenance projects awarded	
COVID-19	Nompumelelo Hospital Phase 2	Ngqushwa Municipality	N/A	N/A	-	Number of planned Maintenance projects awarded	
COVID-19	Cecilia Makhiwane	BCMM	N/A	N/A	706 118,31	Number of planned Maintenance projects awarded	
COVID-19	Cecilia Makhiwane Phase 2	BCMM	N/A	N/A	2 511 303,16	Number of planned Maintenance projects awarded	
COVID-19	Grey Hospital	BCMM	N/A	N/A	366 821,07	Number of planned Maintenance projects awarded	
COVID-19	Ngqamakhwe CMH	Mnquma Municipality	N/A	N/A	140 071,42	Number of planned Maintenance projects awarded	
COVID-19	Butterworth Hospital	Mnquma Municipality	4	4 Youth Female	1 555 145,00	Number of planned Maintenance projects awarded.	

Budget Programme	Intervention	Geographic location (province/District/local municipality) (where possible)	No of beneficiaries where possible	Disaggregation of Beneficiaries (where possible)	Total budget spent per intervention R'000	Contribution to the Outputs in the APP (where applicable)	Immediate Outcomes
COVID-19	Cecilia Makhiwane Medical Gases	BCMM	N/A	N/A	-	Number of planned Maintenance projects awarded	
COVID-19	Madwaleni Hospital	Mbashe Municipality	36	16 Female 20 Youth Male	13 172 717,47	Number of planned Maintenance projects awarded	
COVID-19	Frere Hospital	BCMM	21	2 Male 1 Female 16 Youth Male 2 Youth Female	4 359 275,56	Number of planned Maintenance projects awarded.	
COVID-19	Winterberg Hospital	Raymond Mhlaba Municipality	19	2 Male 13 Youth Male 4 Youth Female	1 973 269,33	Number of planned Maintenance projects awarded.	
COVID-19	Emergency renovations & repairs to Dora Nginza Phase 1	NMMM	7	4 male	308 492,68	Number of planned Maintenance projects completed.	
COVID-19	Emergency renovations & repairs to Humansdorp Hospital	Kouga Municipality	14	7 male 2 female 5 youth	3 260 944,16	Number of planned Maintenance projects completed.	
COVID-19	Emergency renovations & repairs to Midlands Hospital	Dr Beyers Naude Municipality	10	5 male 2 female 3 youth	1 269 972,36	Number of planned Maintenance projects awarded	
COVID-19	Emergency renovations & repairs to Dora Nginza Phase 2	NMMM	12	9 male 1 female 2 youth	4 863 591,65	Number of planned Maintenance projects completed.	
COVID-19	Emergency renovations & repairs to Willowmore Hospital	Dr Beyers Naude Municipality	24	15 male 9 youth	1 709 340,15	Number of planned Maintenance projects awarded.	
COVID-19	Emergency renovations & repairs to Joubertina Hospital	KOUKAMMA	27	20 male 2 female 5 youth	1 725 599,25	Number of planned Maintenance projects awarded.	

Budget Programme	Intervention	Geographic location (province/District/local municipality) (where possible)	No of beneficiaries where possible	Disaggregation of Beneficiaries (where possible)	Total budget spent per intervention R'000	Contribution to the Outputs in the APP (where applicable)	Immediate Outcomes
COVID-19	Emergency renovations & repairs to Empilweni TB Hospital	NMMM	32	32 male	5 775 854,45	Number of planned Maintenance projects awarded.	
COVID-19	Emergency renovations & repairs to Osmond TB Hospital	NMMM	24	24 male	3 036 752,30	Number of planned Maintenance projects awarded.	
COVID-19	Emergency renovations & repairs to Livingstone Hospital	NMMM	18	18 male	8 487 094,60	Number of planned Maintenance projects awarded.	
COVID-19	Emergency renovations & repairs to Dora Nginza Phase 3	NMMM	91	91 male	20 071 996,73	Number of planned Maintenance projects awarded.	
COVID-19	Emergency renovations & repairs to Marjorie Parrish TB Hospital	Sarah Baartman District	12	9 male 3 youth	2 661 682,00	Number of planned Maintenance projects awarded.	
COVID-19	Emergency renovations & repairs to Sawas Hospital Jansenville	Sarah Baartman District	17	10 male 2 female 5 youth	4 500 150,00	Number of planned Maintenance projects awarded	
COVID-19	Emergency repairs & renovations to Maclear Hospital	Joe Gqabi Region	N/A	N/A	3 487 243,34	Number of planned Maintenance projects awarded	
COVID-19	Emergency renovations & repairs to Empilisweni Hospital	Joe Gqabi Region	N/A	N/A	4 788 644,31	Number of planned Maintenance projects awarded	
COVID-19	Emergency procurement of Professional Architectural Services for the Turnkey Contract at Aliwal North Hospital	Joe Gqabi Region	5	3 male 2 female	21 636 722,45	Capital Infrastructure	
COVID-19	Emergency procurement of Professional Architectural	Joe Gqabi Region	2	1 male 1 female	18 850 632,87	Capital Infrastructure	

Budget Programme	Intervention	Geographic location (province/District/local municipality) (where possible)	No of beneficiaries where possible	Disaggregation of Beneficiaries (where possible)	Total budget spent per intervention R'000	Contribution to the Outputs in the APP (where applicable)	Immediate Outcomes
	Services for the Turnkey Contract at Mlamli Hospital						
COVID-19	Emergency repairs & renovations to Burgersdorp Hospital	Joe Gqabi Region	N/A	N/A	1 185 181,25	Capital Infrastructure	
COVID-19	Emergency repairs and renovations of Lady Grey Hospital for COVID-19	Joe Gqabi Region	4	2 male 2 female	3 015 364,98	Number of planned Maintenance projects awarded	
COVID-19	Emergency renovations and isolations to Nurses Home and isolation ward at Steynsburg Hospital	Joe Gqabi Region	4	2 males 2 females	4 481 107,93	Number of planned Maintenance projects awarded	
COVID-19	Rehabilitation of existing structure	OR Tambo	5	4 males 1 female	923 663,09	Number of planned Maintenance projects awarded	
COVID-19	Rehabilitation of existing structure	OR Tambo	12	10 male 2 female	2 733 151,82	Number of planned Maintenance projects awarded	
COVID-19	Construction of a driveway	OR Tambo	6	4 male 2 female	647 134,78	Number of planned Maintenance projects awarded	
COVID-19	Rehabilitation of existing structure	OR Tambo	12	11 male 1 female	1 679 769,44	Number of planned Maintenance projects awarded	
COVID-19	Rehabilitation of existing structure	OR Tambo	7	6 male 1 female	813 599,40	Number of planned Maintenance projects awarded	
COVID-19	Construction of a driveway	OR Tambo	10	7 male 3 female	334 000,00	Number of planned Maintenance projects awarded	

Budget Programme	Intervention	Geographic location (province/District/local municipality) (where possible)	No of beneficiaries where possible	Disaggregation of Beneficiaries (where possible)	Total budget spent per intervention R'000	Contribution to the Outputs in the APP (where applicable)	Immediate Outcomes
COVID-19	Installation of the medical gas points, screens, blinds and burglar bars	OR Tambo	N/A	N/A	774 867,20	Number of planned Maintenance projects awarded	
COVID-19	Construction of new structure brick and mortar	OR Tambo	12	11 males 1 female	2 464 125,33	Number of planned Maintenance projects awarded	
COVID-19	Rehabilitation of existing structure	OR Tambo	7	7 male	758 590,76	Number of planned Maintenance projects awarded	
COVID-19	Construction of covered walkways	OR Tambo	N/A	2 males 1 female	475 506,53	Number of planned Maintenance projects awarded	
COVID-19	Rehabilitation of existing structure	OR Tambo	13	9 male 4 female	1 472 695,94	Number of planned Maintenance projects awarded	
COVID-19	Rehabilitation of existing structure	OR Tambo	14	10 males 4 females	5 729 759,53	Number of planned Maintenance projects awarded	
COVID-19	Construction of a driveway	OR Tambo	4	3 male 1 female	446 706,00	Number of planned Maintenance projects awarded	
COVID-19	Construction of stormwater channels	OR Tambo	3	2 male 1 female	105 802,13	Number of planned Maintenance projects awarded	
COVID-19	Covered walkway	OR Tambo	N/A	N/A	436 956,00	Number of planned Maintenance projects awarded	
COVID-19	Construction of a driveway	OR Tambo	N/A	N/A	542 619,00	Number of planned Maintenance projects awarded.	

Budget Programme	Intervention	Geographic location (province/District/local municipality) (where possible)	No of beneficiaries where possible	Disaggregation of Beneficiaries (where possible)	Total budget spent per intervention R'000	Contribution to the Outputs in the APP (where applicable)	Immediate Outcomes
COVID-19	Rehabilitation of existing structure	OR Tambo	10	8 male 2 female	5 854 178,91	Number of planned Maintenance projects awarded	
COVID-19	Electrical works, medical gas, plumbing & drainage, parking, walkway, ramp and demolitions	OR Tambo	13	9 male 4 female	5 538 913,28	Number of planned Maintenance projects awarded	
COVID-19	Revamping old mortuary for COVID-19	OR Tambo	10	8 male 2 female	1 044 193,52	Number of planned Maintenance projects awarded.	
COVID-19	Provision of new isolations wards	OR Tambo	11	8 male 3 female	8 753 129,40	Number of planned Maintenance projects awarded	
COVID-19	Rehabilitation of existing structure	OR Tambo	8	4 male 4 female	1 696 843,70	Number of planned Maintenance projects awarded	
COVID-19	Rehabilitation of existing structure	OR Tambo	11	8 male 3 female	2 820 048,23	Number of planned Maintenance projects awarded	
COVID-19	Extension and alterations to existing structures	OR Tambo	14	9 male 5 female	1 010 283,00	Number of planned Maintenance projects awarded	
COVID-19	Construction of 45 beds ward for COVID-19 using mini maxi brick (turnkey approach)	OR Tambo	29	20 male 9 female	8 301 236,50	Number of planned Maintenance projects awarded	
COVID-19	Rehabilitation of existing structure	OR Tambo	6	5 male 1 female	2 616 445,86	Number of planned Maintenance projects awarded	
COVID-19	Rehabilitation of existing structure	OR Tambo	8	4 male 4 female	1 273 335,86	Number of planned Maintenance projects awarded	

Budget Programme	Intervention	Geographic location (province/District/local municipality) (where possible)	No of beneficiaries where possible	Disaggregation of Beneficiaries (where possible)	Total budget spent per intervention R'000	Contribution to the Outputs in the APP (where applicable)	Immediate Outcomes
COVID-19	Rehabilitation of existing structure	OR Tambo	N/A	N/A	-	Number of planned Maintenance projects awarded	
COVID-19	Construction of new structure brick and mortar	OR Tambo	N/A	N/A	-	Number of planned Maintenance projects awarded	
COVID-19	Rehabilitation of existing structure	OR Tambo	N/A	N/A	-	Number of planned Maintenance projects awarded	
COVID-19	Rehabilitation of existing structure	OR Tambo	N/A	N/A	-	Number of planned Maintenance projects awarded	
COVID-19	Emergency renovations & repairs to Frontier Hospital	Enoch Mgijima	12	12 male 12 youth	356 681,87	Number of planned Maintenance projects awarded	
COVID-19	Emergency renovations & repairs to Hewu Hospital	Enoch Mgijima	5	4 male 1 female	2 019 827,72	Number of planned Maintenance projects awarded	
COVID-19	Emergency renovations & repairs to Glen Grey Hospital	Emalahleni	8	6 male 2 female	1 741 846,76	Number of planned Maintenance projects awarded	
COVID-19	Emergency renovations & repairs to Dordrecht Hospital	Emalahleni	5	3 male 2 female	1 481 345,67	Number of planned Maintenance projects awarded	
COVID-19	Emergency renovations & repairs to Cala Hospital	Emalahleni	5	4 male 1 female	1 873 857,08	Number of planned Maintenance projects awarded	
COVID-19	Emergency renovations & repairs to Mjanyana Hospital	Engcobo	8	4 male 4 female	1 090 646,76	Number of planned Maintenance projects awarded	

Budget Programme	Intervention	Geographic location (province/District/local municipality) (where possible)	No of beneficiaries where possible	Disaggregation of Beneficiaries (where possible)	Total budget spent per intervention R'000	Contribution to the Outputs in the APP (where applicable)	Immediate Outcomes
COVID-19	Emergency renovations & repairs to Komani Hospital Phase 2	Enoch Mgijima	10	7 male 3 female	2 793 578,13	Number of planned Maintenance projects awarded	
COVID-19	Emergency renovations & repairs to Komani Hospital Phase 1	Enoch Mgijima	12	9 male 3 female	3 109 341,74	Number of planned Maintenance projects awarded	
COVID-19	Emergency renovations & repairs to All Saints	Engcobo	10	10 male 2 youth	1 281 269,38	Number of planned Maintenance projects awarded	
COVID-19	Madzikane ka Zulu Hospital Phase 1	Alfred Nzo	N/A	N/A	332 916,50	N/A	
COVID-19	Mt Ayliff Hospital – Alternative Building Technology	Alfred Nzo	N/A	N/A	2 188 335,00	N/A	
COVID-19	Taylor Bequest Hospital - Phase 1	Alfred Nzo	N/A	N/A	1 655 855,00	N/A	
COVID-19	Nompumelelo Hospital Phase 1	Amathole	N/A	N/A	254 237,00	N/A	
COVID-19	Victoria Hospital – Phase 1	Amathole	N/A	N/A	283 237,24	N/A	
COVID-19	Ngqamakhwe Community Heath Centre	Amathole	N/A	N/A	664 501,74	N/A	
COVID-19	Victoria Hospital - Phase 2	Amathole	N/A	N/A	143 000,00	N/A	
COVID-19	Butterworth Hospital	Amathole	N/A	N/A	2 478 856,05	N/A	
COVID-19	Empilisweni Hospital (General Building Alterations and Maintenance)	Amathole	N/A	N/A	5 634 146,00	N/A	
COVID-19	Frere Hospital – Ward C8 & C9	Amathole	N/A	N/A	6 578 916,55	N/A	
COVID-19	Nompumelelo Hospital Phase2	Amathole	N/A	N/A	730 716,02	N/A	

Budget Programme	Intervention	Geographic location (province/District/local municipality) (where possible)	No of beneficiaries where possible	Disaggregation of Beneficiaries (where possible)	Total budget spent per intervention R'000	Contribution to the Outputs in the APP (where applicable)	Immediate Outcomes
COVID-19	Madwaleni Hospital	Amathole	N/A	N/A	20 397 061,98	N/A	
COVID-19	Winterberg Hospital	Amathole	N/A	N/A	3 548 491,75	N/A	
COVID-19	Cecilia Makhiwane Hospital - Phase 1	Amathole	N/A	N/A	707 400,00	N/A	
COVID-19	Cecilia Makhiwane Hospital Phase 2	Amathole	N/A	N/A	2 700 000,00	N/A	
COVID-19	Grey Hospital	Amathole	N/A	N/A	461 989,50	N/A	
COVID-19	Frontier Hospital	Chris Hani	N/A	N/A	203 294,70	N/A	
COVID-19	All Saints Hospital	Chris Hani	N/A	N/A	6 402 652,63	N/A	
COVID-19	Glen Grey Hospital	Chris Hani	N/A	N/A	5 425 180,87	N/A	
COVID-19	Hewu Hospital	Chris Hani	N/A	N/A	4 104 375,82	N/A	
COVID-19	Komani Hospital Phase 1	Chris Hani	N/A	N/A	5 344 036,01	N/A	
COVID-19	Maclear Hospital (General Building Alterations and Maintenance)	Joe Gqabi	N/A	N/A	3 671 864,90	Number of planned Maintenance projects awarded	
COVID-19	Aliwal North Hospital	Joe Gqabi	N/A	N/A	31 203 516,52	N/A	
COVID-19	Mlamli Hospital	Joe Gqabi	N/A	N/A	43 769 699,41	N/A	
COVID-19	St Lucy's Hospital	Joe Gqabi	N/A	N/A	32 000 000,00	N/A	
COVID-19	Dora Nginza Hospital (06) beds) Ablutions to family ward – Phase 1	Nelson Mandela	N/A	N/A	317 405,75	N/A	
COVID-19	Dora Nginza Hospital - ward T2 – Phase 2	Nelson Mandela	N/A	N/A	5 065 261,00	N/A	
COVID-19	Zithulele Hospital	OR Tambo	N/A	N/A	977 511,50	N/A	
COVID-19	St Barnabas	OR Tambo	N/A	N/A	2 819 941,16	N/A	
COVID-19	Isilimela Hospital	OR Tambo	N/A	N/A	915 705,90	N/A	
COVID-19	Mthatha General Hospital	OR Tambo	N/A	N/A	1 799 931,01	N/A	
COVID-19	St Elizabeth– Phase 1	OR Tambo	N/A	N/A	844 991,25	N/A	

Budget Programme	Intervention	Geographic location (province/District/local municipality) (where possible)	No of beneficiaries where possible	Disaggregation of Beneficiaries (where possible)	Total budget spent per intervention R'000	Contribution to the Outputs in the APP (where applicable)	Immediate Outcomes
COVID-19	St Elizabeth – Phase 2	OR Tambo	N/A	N/A	487 699,00	Number of planned Maintenance projects awarded	
COVID-19	Bambisana Hospital Phase 1	OR Tambo	N/A	N/A	5 804 729,33	N/A	
COVID-19	Bambisana Hospital Phase 3	OR Tambo	N/A	N/A	458 160,00	N/A	
COVID-19	Bambisana – Phase 2	OR Tambo	N/A	N/A	448 160,00	N/A	
COVID-19	Bambisana Hospital Phase 4	OR Tambo	N/A	N/A	104 834,58	N/A	
COVID-19	Bambisana Hospital Phase 5	OR Tambo	N/A	N/A	124 792,25	N/A	
COVID-19	Sir Henry Hospital	OR Tambo	N/A	N/A	5 868 223,74	N/A	
COVID-19	Isilimela Hospital Phase 2	OR Tambo	N/A	N/A	364 840,00	N/A	
COVID-19	Isilimela Hospital medical gas	OR Tambo	N/A	N/A	1 691 428,00	N/A	
COVID-19	Dr Malizo Mpehle Hospital	OR Tambo	N/A	N/A	4 948 162,20	N/A	
COVID-19	Sir Henry Hospital mortuary	OR Tambo	N/A	N/A	2 731 787,34	N/A	
COVID-19	Midlands Hospital -	Sarah Baartman	N/A	N/A	1 359 316,00	N/A	
COVID-19	Humansdorp Hospital (04 beds) Prefabricated isolation ward.	Sarah Baartman	N/A	N/A	3 506 350,00	N/A	
COVID-19	Joubertina Hospital (4 beds) Prefabricated isolation ward.	Sarah Baartman	N/A	N/A	2 323 000,00	N/A	
COVID-19	Willowmore Hospital	Sarah Baartman	N/A	N/A	1 506 560,85	N/A	
COVID-19	Empilweni Hospital	Sarah Baartman	N/A	N/A	4 889 649,35	N/A	
COVID-19	Livingstone Hospital	Sarah Baartman	N/A	N/A	11 656 006,93	N/A	
COVID-19	Osmond Hospital	Sarah Baartman	N/A	N/A	3 036 752,30	N/A	

Budget Programme	Intervention	Geographic location (province/District/local municipality) (where possible)	No of beneficiaries where possible	Disaggregation of Beneficiaries (where possible)	Total budget spent per intervention R'000	Contribution to the Outputs in the APP (where applicable)	Immediate Outcomes
COVID-19	SS Gida Hospital	Raymond Mhlaba Municipality	Nil		R664 501,74	Number of Maintenance Projects Awarded	52 COVID-19 Beds
COVID-19	Victoria Hospital	Raymond Mhlaba Municipality	7	3 Male 4 Youth Male	902 394,88	Number of Maintenance Projects Awarded	8 COVID-19 Beds
COVID-19	Victoria Hospital Phase 2	BCMM	N/A	N/A	706 118,31	Number of Maintenance Projects Awarded	23 COVID-19 Beds
COVID-19	Cecilia Makhiwane	BCMM	N/A	N/A	2 511 303,16	Number of Maintenance Projects Awarded	35 COVID-19 Beds
COVID-19	Cecilia Makhiwane Phase 2	BCMM	N/A	N/A	R 366 821,07	Number of Maintenance Projects Awarded	22 COVID-19 Beds; Casualty Section
COVID-19	Grey Hospital	Mnquma Municipality	N/A	N/A	R 140 071,42	Number of Maintenance Projects Awarded	16 COVID-19 Beds
COVID-19	Ngqamakhwe CMH	Mnquma Municipality	4	4 Youth Female	2 478 856,05	Number of Maintenance Projects Awarded	8 COVID-19 Beds
COVID-19	Butterworth Hospital	BCMM	N/A	N/A	1 134 799,88	Number of Maintenance Projects Awarded,	16 COVID-19 Beds
COVID-19	Cecilia Makhiwane medical gases	Mbashe Municipality	36	16 Female 20 Youth Male	15 148 662,80	Number of Maintenance Projects Awarded,	-
COVID-19	Madwaleni Hospital	BCMM	21	2 Male 1 Female 16 Youth Male 2 Youth Female"	4 359 275,56	Number of Maintenance Projects Awarded,	59 COVID-19 Beds

Budget Programme	Intervention	Geographic location (province/District/local municipality) (where possible)	No of beneficiaries where possible	Disaggregation of Beneficiaries (where possible)	Total budget spent per intervention R'000	Contribution to the Outputs in the APP (where applicable)	Immediate Outcomes
COVID-19	Frere Hospital	Raymond Mhlaba Municipality	19	2 Male 13 Youth Male 4 Youth Female	2 354 985,77	Number of Maintenance Projects Awarded,	40 COVID-19 Beds
COVID-19	Winterberg Hospital	Enoch Mgijima	12	12 male	356 681,87	Number of planned Maintenance projects awarded	40 COVID-19 Beds
COVID-19	Emergency renovations & repairs to Frontier Hospital	NMMM	7	4 male	308 492,68	Number of planned Maintenance projects awarded	80 COVID-19 Beds
Emergency Renovations & Repairs To Dora Nginza Phase 1	Repairs & renovations	Kouga Municipality	14	7 males 2 females 5 youth	3 260 944,16	Number of planned Maintenance projects awarded.	10 COVID-19 Beds
Emergency renovations & repairs to Humansdorp Hospital	Alternative Building Technology structure	Dr Beyers Naude Municipality	10	5 males 2 females 3 youth	1 269 972,36	Number of planned Maintenance projects awarded	4 COVID-19 Beds
Emergency renovations & repairs to Midlands Hospital	Repairs & renovations	NMMM	12	9 males 1 female 2 youth	4 863 591,65	Number of planned Maintenance projects awarded	10 COVID-19 Beds
Emergency renovations & repairs to Dora Nginza Phase 2	Repairs & renovations	Dr Beyers Naude Municipality	24	15 males 9 youth	1 709 340,15	Number of planned Maintenance projects awarded	40 COVID-19 Beds
Emergency renovations & repairs to Willowmore Hospital	Fence	Koukamma	27	20 males 2 females 5 youth	1 725 599,25	Number of planned Maintenance projects awarded	N/A
Emergency renovations & repairs to Joubertina Hospital	Alternative Building Technology structure	NMMM	24	24 males 8 females	3 036 752,30	Number of planned Maintenance projects awarded	4 COVID-19 Beds

Budget Programme	Intervention	Geographic location (province/District/local municipality) (where possible)	No of beneficiaries where possible	Disaggregation of Beneficiaries (where possible)	Total budget spent per intervention R'000	Contribution to the Outputs in the APP (where applicable)	Immediate Outcomes
Emergency renovations & repairs to Osmond TB Hospital	Repairs & renovations	NMMM	18	18 males 2 females	8 487 094,60	Number of planned Maintenance projects awarded	50 COVID-19 Beds
Emergency renovations & repairs to Livingstone Hospital	Repairs & renovations	NMMM	91	91 males	31 681 606,73	Number of planned Maintenance projects awarded	73 COVID-19 Beds
Emergency renovations & repairs to Dora Nginza Phase 3	Repairs & renovations	Sarah Baartman District	12	9 male 3 youth	3 334 582,88	Number of planned Maintenance projects awarded	100 COVID-19 Beds
Emergency renovations & repairs to Marjorie Parrish TB Hospital	Repairs & renovations	Sarah Baartman District	17	10 male 2 female 5 youth	5 193 913,77	Number of planned Maintenance projects awarded	20 COVID-19 Beds
Emergency renovations & repairs to Sawas Hospital Jansenville	Repairs & renovations	Enoch Mgijima	12	12 male 12 youth	356 681,87	Number of planned Maintenance projects awarded	20 COVID-19 Beds
Emergency renovations & repairs to Frontier Hospital	Repairs & renovations	Enoch Mgijima	5	4 male 1 female	2 019 827,72	Number of planned Maintenance projects awarded	80 COVID-19 Beds
Emergency renovations & repairs to Hewu Hospital	Repairs & renovations	Emalahleni	8	6 male 2 female	1 741 846,76	Number of planned Maintenance projects awarded	56 COVID-19 Beds
Emergency renovations & repairs to Glen Grey Hospital	Repairs & renovations	Emalahleni	5	3 male 2 female	3 323 798,78	Number of planned Maintenance projects awarded	108 COVID-19 Beds

Budget Programme	Intervention	Geographic location (province/District/local municipality) (where possible)	No of beneficiaries where possible	Disaggregation of Beneficiaries (where possible)	Total budget spent per intervention R'000	Contribution to the Outputs in the APP (where applicable)	Immediate Outcomes
Emergency renovations & repairs to Dordrecht Hospital	Repairs & renovations	Emalahleni	5	4 male 1 female	2 642 139,53	Number of planned Maintenance projects awarded	9 COVID-19 Beds
Emergency renovations & repairs to Cala Hospital	Repairs & renovations	Engcobo	8	4 male 4 female	R2 876 498,40	Number of planned Maintenance projects awarded	29 COVID-19 Beds
Emergency renovations & repairs to Mjanyana Hospital	Repairs & renovations	Enoch Mgijima	10	6 male 4 female	5 713 460,99	Number of planned Maintenance projects awarded	26 COVID-19 Beds
Emergency renovations & repairs to Komani Hospital Phase 2	Repairs & renovations	Enoch Mgijima	12	9 male 3 female	4 267 346,57	Number of planned Maintenance projects awarded	64 COVID-19 Beds
Emergency renovations & repairs to Komani Hospital Phase 1	Repairs & renovations	Engcobo	10	10 male	2 618 933,85	Number of planned Maintenance projects awarded	31 COVID-19 Beds
Emergency renovations & repairs to All Saints	Repairs & renovations	Alfred Nzo	N/A	N/A	332 916,50	Number of capital infrastructure projects under construction	51 COVID-19 Beds
COVID-19 Funds: Madzikane Ka-Zulu Hospital Phase 1	Additional facilities through alternative construction	Alfred Nzo	N/A	N/A	0.00	Number of capital infrastructure projects under construction	
COVID-19 Funds: Siphethu Hospital	Additional facilities	Alfred Nzo	N/A	N/A	1 934 668,68	Number of capital infrastructure projects under construction	
COVID-19 Funds: Mt Ayliff Hospital ABT	Additional facilities through alternative construction	Alfred Nzo	N/A	N/A	1 463 938,95	Number of capital infrastructure	

Budget Programme	Intervention	Geographic location (province/District/local municipality) (where possible)	No of beneficiaries where possible	Disaggregation of Beneficiaries (where possible)	Total budget spent per intervention R'000	Contribution to the Outputs in the APP (where applicable)	Immediate Outcomes
						projects under construction	
COVID-19 Funds: Taylor Bequest Hospital ABT	Additional facilities through alternative construction	Alfred Nzo	N/A	N/A	18 093 854,33	Number of capital infrastructure projects completed	
COVID-19 Funds: Taylor Bequest OPD	New OPD and repairs & additions	Senqu Municipality	14	6 female 8 Male	4 577 067,85	Number of capital infrastructure projects under construction	
COVID-19	Emergency repairs & renovations at Lady Grey Hospital	Walter Sisulu Municipality	9	2 female 7 female	2 673 694,37	Number of capital infrastructure projects under construction	
COVID-19	Emergency alterations to existing Isolation Wards at Burgersdorp Hospital	Walter Sisulu Municipality	25	8 female 17 male	12 749 865,69	Number of capital infrastructure projects under construction	

H. Linking performance with budget

Sub-Programme Name	2020/21			2019/20		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
2.1 Programme Support	121 710	121 710	-	107 048	107 048	-
2.2 Planning	4 122	4 122	-	4 257	4 257	-
2.3 Design	-	-	-	-	-	-
2.4 Construction	222 281	193 933	28 348	288 713	288 713	-
2.5 Maintenance	174 079	174 079	-	187 902	187 902	-
2.6 Immovable Asset Management	991 711	991 711	-	958 282	933 924	24 358
2.7 Facility Operation	271 399	264 498	6 901	237 517	234 453	3 064
Total	**1 785 302**	**1 750 053**	**35 249**	**1 783 719**	**1 756 297**	**27 422**

The programme recorded a total expenditure of 98% of its allocated budget, which contributed to 86% achievement of its planned targets. Recorded under expenditure is due to:

- Late award of both Botha Sigcau and Old FNB building as a result of the lockdown levels.
- Mt Ayliff Cluster office due to dispute that led to litigation process;
- Construction of Addo offices delays due to approval process from the Environmental Affairs that took longer than anticipated; and
- Late award of the service provider to install security equipment upgrades in the Bhisho State House and the Eastern Cape Provincial Legislature, due to longer process of vetting the bidders in line with the security requirements.

2.4.3. Programme 3: Expanded Public Works Programme

A. Purpose

To align departmental socio-economic initiatives to national and provincial government priorities in terms of job creation and poverty reduction and to implement these programmes in conjunction with other provincial government departments, district and local municipalities to ensure viable and sustainable long-term enterprise and economic development.

B. Sub-Programmes

- Programme Support
- Community Development
- Innovation and Empowerment
- Co-ordination & Compliance Monitoring

List of Institutional Outcomes that programme contributes towards according to the Annual Performance Plan

- Transformed and Inclusive Property Industry
- Optimised Job Opportunities

C. Outcomes, Outputs, Output indicators Performance Indicators and Targets for Programme3: Expanded Public Works Programme

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations	Reasons for revisions to the Outputs/Output indicators/Annual Targets
Transformed and inclusive property and construction industry	• Integrated Contractor Development Programme implemented • Emerging contractors supported • Infrastructure and Construction SMME Development Strategy	Number of SMMEs upgraded to a higher CIDB rating	New indicator	New indicator	20	26	+6	The overachievement is due to CIDB facilitating the upgrades on time.	The target was revised from 40 to 20 due the APP that was revised, following the tabling of the Special Adjustment Appropriation for the 2020/21 financial year, in response to the implications of the global COVID-19 pandemic.
	• Skills development targeting young people, women and people with disabilities • Economic development targeting young people, women and people with disabilities	Number of APTCoD learners passed trade test	New indicator	New indicator	20	38	+18	The overachievement is due to learners that secured trade test dates earlier than anticipated	The target was revised from 100 to 20 due to the APP that was revised, following the tabling of the Special Adjustment Appropriation for the 2020/21 financial year, in response to the implications of the global COVID-19 pandemic.
Optimised Job opportunities	Optimised Job opportunities created	Number of EPWP work opportunities created by ECDPW	3 147	3 770	3 960	4 434	+474	The overachievement is as a result of more work opportunities that	The target was revised from 2960 to 3960 due to the APP that was revised, following

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations	Reasons for revisions to the Outputs/Output indicators/Annual Targets
		Youth: 55% Women: 60% People with Disabilities: 2%						were created through the implementation of the COVID-19 Youth Brigade Programme during 2020/21.	the tabling of the Special Adjustment Appropriation for the 2020/21 financial year, in response to the implications of the global COVID-19 pandemic.

D. Outcomes, Outputs, Output indicators Performance Indicators and Targets for Programme3: Expanded Public Works

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
Transformed and inclusive property and construction industry	• Integrated Contractor Development Programme implemented • Emerging contractors supported • Infrastructure and Construction SMME Development Strategy	Number of emerging contractors supported in ICDP incubator programme: Youth: 55% Women: 60% People with Disabilities: 2%	New indicator	New indicator	160	177	+17	The overachievement is due to the COVID-19 projects that afforded the Department opportunities to provide more support to ICDP contractors, in the form of training and awards.
		Number of qualified entrants in Property Incubator programme (Cleaning, garden maintenance, landscaping, security, leasing) Youth: 55% Women: 60% People with Disabilities: 2%	New indicator	New indicator	50	0	-50	The underachievement is as a result of delays in the finalisation of the Property Incubator Policy that will enable admission of new entrants in the programme
		Approved Infrastructure and Construction SMME Development Strategy in place	New indicator	New indicator	1	0	-1	The underachievement is as a result of delays in the finalisation of the Construction SMME Development Strategy because some planned consultation

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
								sessions on the strategy were affected by the COVID- 19 lockdown regulations
	• Skills development targeting young people, women and people with disabilities • Economic development targeting young people, women and people with disabilities	Number of APTCoD learners trained: Youth: 55% Women: 60% People with Disabilities: 2%	New indicator	New indicator	1000	1 092	+92	Cumulative reporting resulted in the overachievement of this indicator This means when the contracts end/learner exit they are counted & reported during that financial year and when a replacement is made during the same financial year it is counted & reported as well.
		Number of NYS learners trained: Youth: 55% Women: 60% People with Disabilities: 2%	New indicator	New indicator	150	139	-11	The underachievement is as a result of COVID-19 lockdown restrictions that delayed the recruitment of NYS learners by Amatole and Joe Gqabi Regions.
		Number of beneficiary empowerment interventions	4	4	4	4	N/A	N/A

Outcome	Output	Output indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
Optimised Job opportunities	Optimised Job opportunities created	Number of Public bodies reporting on EPWP targets within the province	50	50	50	50	N/A	N/A

E. Summary of Programme Performance

The Programme has recorded a 79% performance during the year under review. Of importance, the programme continues to lead departmental interventions on poverty alleviation and skills development. Key in poverty alleviation is the creation of work opportunities for poor households in the Province. A total of 4434 work opportunities have been created; these include Youth brigade programme that was established as part of the fight against COVID-19 pandemic. The EPWP prioritises designated groups in order to contribute towards a transformative society. Of the total jobs created, 60% should benefit women, 55% benefit youth and 2% benefit People with Disabilities. In the year under review year, the province exceeded the targets for women by reporting 66%, however it fell short of achieving youth and people with disability targets as it reported 30% and 1% respectively.

To build a Transformed and inclusive property and construction industry, 177 emerging contractors have been supported through the ICDP programme benefitting 36% women owned contractors and 36% Youth owned contractors. The Department continued to build skills and economic opportunities for young people including women by training 1 092 learners to become artisans and have ensured that the designated groups are benefiting from the programme (women=42%, youth=96% and People with Disabilities=3%), 28 of which have been certified as artisans ready for participating in mainstream economy benefitting 60% young people and 84% women. All 50 public bodies reported jobs they have created, even though coordination of public bodies to integrate the work of EPWP and report remains a challenge.

F. Strategy to overcome areas of underperformance:

- The Department has augmented the teams developing the Property Incubator Development Policy and SMME Development Strategy with expert resources from the PIMO. These documents are anticipated to be finalised by the end of the 1st quarter of 2021 and
- The Department has put measures in place to ensure that recruitment and placement of participants in the NYS programme is concluded by the end of the first quarter of 2021/22 financial year.

G. Linking performance with budget

Sub-Programme Name	2020/21			2019/20		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
4.1 Programme Support	9 762	9 762	-	11 704	11 386	318
4.2 Community Development	38 436	35 686	2 750	13 753	13 753	-
4.3 Innovation and Empowerment	53 744	53 744	-	60 294	59 509	785
4.4 Co-ordination and Compliance Mont	32 108	32 108	-	32 959	32 959	-
Total	**134 050**	**131 300**	**2 750**	**118 710**	**117 607**	**1 103**

The programme has recorded an expenditure of 98% out of 79% of its planned targets has been achieved. The delays in the delivery of procured protective clothing and tools for both NYS and APTCoD, as a result of the challenges experienced by the manufactures, made the programme not to achieve 100% of expenditure.

2.5 Transfer of Payments

2.5.1 Transfer payments to all organisations other than public entities

Name of the Transferee	Purpose for which the funds were used	Compliance with s 38(1) (j) of the PFMA	Amount received	Amount spent by entity	Reasons for the funds unspent by entity
DPW	Payment of rates and taxes for the government owned buildings	N/A	542 824	542 824	N/A

The Department has neither trading nor public entities in its portfolio nor does it have unlisted investments or funds.

2.6 Conditional Grants

Conditional grants and earmarked funds paid

N/A

Conditional grants and earmarked funds received

Grant name	Final Appropriation	Actual Expenditure	Variance
	R'000	R'000	R'000
Expanded Public Works Incentive to Provinces	8 644	8 644	-
Total	**8 644**	**8 644**	**-**

EPWP INCENTIVE GRANT	
Department who transferred the grant	National Department of Public Works
Purpose of the grant	To incentivise provincial departments to expand work creation efforts through the use of labour intensive delivery methods.
Expected outputs of the grant	Number of people employed and receiving income through EPWP Increased avarage duration of work opportunities created
Actual outputs achieved	Number of people employed and receiving income through EPWP were **863** Increased avarage duration of work opportunities created was **263.30**
Amount per amended DORA R'000	8 644
Amount Transfered R'000	All funds transfereed
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department R'000	8 644
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	N/A

2.7 Donor Funds

Donor Funds Received

No donor funds were received by the Department in the year under review.

2.8 Capital Investment

2.8.1. Capital Investment, Maintenance and Asset Management Plan

The following table accounts for the infrastructure expenditure of the Department of Public Works for the 2020/21 financial year.

Infrastructure projects	2020/21			2019/20		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
New and replacement assets	77 415	69 123	8 292	66 635	66 635	-
Existing Infrastruture	-	-	-	-	-	-
Upgrade and Additions	103 139	83 083	20 056	159 254	159 254	-
Rehabilitation, renovations and refurbishments	-	-	-	-	-	-
Maintenance and Repairs	61 492	61 492	-	40 113	40 113	-
Total	**242 046**	**213 698**	**28 348**	**266 002**	**266 002**	**-**

The under expenditure is due to the following:

- Late award of both Botha Sigcau and Old FNB building;
- Mt Ayliff Cluster office due to dispute that led to litigation process; and
- Construction of Addo offices delays due to approval process from the Environmental Affairs that took longer than anticipated.

A. Progress made on implementing the capital, investment and asset management plan

User Asset Management Plan for Department of Public Works and the Custodian Asset Management Plan have been submitted to Provincial Treasury.
Investment: The Department advertises properties for long-term leasing and expects revenue over a period of time. For period under review, 56 properties were advertised, plus 11 additional. Out of the 56, only one (1) (Erf 1, Amatola Sun) has been approved for award. An additional 14 properties, which were carried over from the 2019/20 financial year, have also been approved for award, and are estimated to generate revenue after 2 years from the date of award.
Capitalization of completed projects in the IAR for 2020/21 FY: **R270 996 557,61**

- Old Amatola Sun R10 429 003
- Chungwa House R21 555 336,00
- Ex Mary Theresa Hospital R107 826 492,61
- Komani Office Park R131 185 726,00

Closing Balance of Capital Work in Progress as at 31 March 2021: R357 406 028

B. Infrastructure projects, which have been completed in the current year and the progress in comparison to what was planned at the beginning of the year: Provide reasons for material variances (2% variance).

During the period under review, the Department planned to achieve 10 infrastructure projects, of which 12 projects were achieved namely;

- Construction of Themba Mzizi
- Construction of Ntsizwa S.S.S
- Construction of Bhongweni Farm
- Construction of Libode Service Office;
- Construction of Cofimvaba Service office;
- Construction of Ntabankulu Service office;
- Renovations to Grahamstown Service office
- Renovations to Peddie Service Office;
- Construction of Amampondomise Asempumalanga Traditional Council.
- Construction of Nqikambo Traditional Council
- Tafalofefe Water and Sanitation
- Zwelitsha Service office

However, five (5) projects that were completed above were not part of the planned initial listing.

In addition, the following maintenance projects were completed:

- Emergency Roof Repairs & Replacement to Chungwa Building;
- Repairs & Renovations to QTN Depot;
- Ex-Mary Theresa Hospital – conversion of Nurses Home into offices;
- Komani Office Park – upgrade and extension of office park; and
- **Overachievement** was added as a new project, viz: Emergency Fencing to Amatola Sun Hotel.

The Department has achieved 64% of planned infrastructure projects and the variance is as a result of a series of challenges that continued to impact negatively on infrastructure delivery. The

major challenge is the perpetual delays in paying the service providers on all projects whose budget resides with the client departments.
As a result of the non-payments, most service providers either abandoned or terminated their services and that has resulted in the directorate underspending. The recent COVID-19 pandemic also had a negative impact on achievements of planned targets.

The underachievement was due to the following reasons:

Project	Reasons
Aliwal North Cluster Offices	Challenges in sourcing materials with lead times and with non-cooperative consultants.
Jubilee Park	Project is on hold due to DoE non-payment
Edlelweni PS	

C. Infrastructure projects that are currently in progress (list projects) and when are they expected to be completed

The Department currently has 41 projects under construction in various infrastructure portfolios. These projects will be completed at various quarters of the financial year.

No.	Project Name	Region	Project Status	Project Start Date	Nature of Investment	Original End Date	Projected End Date	Total Project Cost
1	Asherville PS	Sarah Baartman	Under Construction (progress -26%)	27/03/2018	Rehabilitation	17/04/2020	22/02/2022	R 88 121 910.37
2	Lingcom PS	Sarah Baartman	Under construction (Progress – 50%)	06/12/2017	New	06/12/2019	08/12/2021	R 88 089 521.73
3	Jubilee Park PS	Sarah Baartman	Under construction (Progress – 97%)	5/08/2014	New	05/08/2016	05/10/2021	R 109 099 171.26
4	Bethelsdorp Comprehensive school	Sarah Baartman	Under construction (Progress – 30%)	02/02/2014	New	04/02/2019	30/08/2022	R 83 291 754.76
5	Mbuqe SSS	O.R. Tambo	Under construction (Progress – 75%)	24/05/2017	New	10/07/2019	30/09/2021	R 73 634 132.85
6	Maluti SSS	Alfred Nzo	Under construction (Progress – 95%)	1/12/2016	New	20/03/2019	Not yet confirmed	R67 233 012.52
7	Phahameng PS	Joe Gqabi	Under Construction (Progress – 60%)	23/02/2017	New	24/03/2019	Not yet confirmed	R 13 410 222.43
8	Mhlontlo JSS	Joe Gqabi	Under construction (Progress - 10%)	22/08/2017	Repairs and renovations	22/03/2019	Not yet confirmed	R 29 205766.84
9	Sterkspruit CS	Joe Gqabi	Under construction	13/06/2017	New	13/07/2018	Not yet confirmed	R 25 125 969.26
10	Lower Ngqungqu	O.R.Tambo	Under construction (Progress – 69%)	31/01/2017	New	31/07/2018	Not yet confirmed	R 36 126 739.61
11	David Livingstone S.S.S.	Sarah Baartman	Under construction (Progress – 35%)	28/06/2017	New	15/07/2019	Not yet confirmed	R 71 460 900.00
12	Hanker Document Management Centre	Amathole	Under construction Progress – 49%)	05/07/2018	New	05/12/2020	21/10/2021	R 129 739 513.33
13	Attwell Madala High	Amathole	Under construction (Progress – 20%)	18/03/2018	New	30/10/2020	15/03/2023	R 192 047 408.01
14	Learskool Grens	Amathole	Under Construction	09/12/2016	New	09/07/2019	31/03/2022	R 136 565 820.78

No.	Project Name	Region	Project Status	Project Start Date	Nature of Investment	Original End Date	Projected End Date	Total Project Cost
			(Progress – 65%)					
15	Nkwezana Public School	Amathole	Under construction (Progress – 10%)	19/09/2017	New	21/10/2019	01/06/2021	R 57 917 729.31
16	Edlelweni PS	Chris Hani	Under construction (Progress – 99%)	23/03/2018	New	23/03/2019	Not yet confirmed	R 23 990 549.40
17	Lavelilanga SSS	Chris Hani	Under construction (Progress – 95%)	15/08/2016	New	15/11/2017	Not yet confirmed	R 33 999 115.05
18	Masizakhe JPS	Chris Hani	Under construction (Progress – 40%)	24/01/2018	New	04/01/2020	24/07/2021	R 51 528 026.01
19	Thembelihle PS	Chris Hani	Under construction (95%)	17/03/2017	New	17/01/2018	Not yet confirmed	R 17 277 717.25
20	Dinizulu SSS	Joe Gqabi	Under Construction (Progress – 85%)	10/10/2016	Repairs and renovations	10/10/2018	22/07/2021	R 52 221 332.21
21	Ilingelethu SPS	Joe Gqabi	Under construction (Progress – 85%)	01/11/2016	New	08/11/2017	Pending court outcome	R 15 097 541.11
22	Khiba JSS	Joe Gqabi	Under construction (Progress – 80%)	01/02/2017	Repairs and renovations	30/04/2020	31/10/2021	R 20 521 121.01
23	Mpumelelo Mfundisi SPS	Joe Gqabi	Under construction (Progress – 65%)	09/01/2017	Repairs and renovations	09/07/2018	01/04/2022	R 31 085 517.93
24	Phambili Mzontsundu SSS	Joe Gqabi	Under construction (Progress – 35%)	09/01/2017	Repairs and renovations	24/01/2020	24/06/2021	R 51 528 026.01
25	Wilow Comprehensive School	OR Tambo	Under construction (Progress – 10%)	05/09/2019	Additions	15/10/2021	18/05/2022	R 55 890 089. 70
26	Khayalethu Special School	Amathole	Under construction (Progress – 3%)	13/03/2018	New	30/10/2020	Not yet confirmed	R 174 169 985.18
27	Mfesane SSS	Sarah Baartman	Under Construction (Progress – 97%)	18/08/2016	Repairs and renovations	18/04/2018	30/11/2021	R47 456 613.32
28	Addo PS	Sarah Baartman	Under construction (by private donor as it was terminated by DRPW)	02/02/2017	Additions	02/02/2019	Not yet confirmed	R 90 243 550.45

No.	Project Name	Region	Project Status	Project Start Date	Nature of Investment	Original End Date	Projected End Date	Total Project Cost
29	Alice Service Office	Amathole	Under construction (Progress – 60%)	07/03/2019	Traditional Council	04/02/2020	22/07/2021	R 3.1 Million
30	Construction of 100 bed Covid -19 ABT at Frere Hospital	Amathole	Under construction (Progress – 45%)	08/06/2020	New	28/04/2021	30/09/2021	R 48 million
31	Construction of 100 bed Covid- 19 ABT at Sir Henry Hospital	OR Tambo	Under construction (Progress – 60%)	20/07/2020	New	20/09/2020	31/10/2021	R 6 million
32	Refurbishment at Taylor Bequest Hospital	Alfred Nzo	Under construction (Progress – 90%)	23/06/2020	New	28/02/2021	28/02/2021	R 24 million
33	Refurbishment at Fort Beaufort Museum	Amathole	Under construction (Progress – 20%)	11/02/2021	New	10/04/2021	10/04/2022	R 11.5 million
34	OTP (OLD ECDC) Building - Repairs and Upgrade to fire damage at the Office of the DG	Bhisho	Under construction (Progress – 44%)	12/12/2019	Upgrades & Additions	26/03/2021	26/08/2021	R 43,3 million
35	Construction of 20 bed ABT at Aliwal North Hospital	Joe Gqabi	Under construction (Progress – 95%)	28/05/2020	New	28/04/2021	28/04/2021	R 31 million
36	Botha Sigcau Building – Refurbishment of electrical, Mechanical and Fire installation in the building (from 3rd floor to 11th floor)	OR Tambo	Under Construction (Progress – 3%)	Projected to start in 3rd quarter	New	Not yet determined	Not yet determined	R 10 million
37	Renovations & Additions to Barkely East Museum	Joe Gqabi	Under construction (Progress – 10%)	02/03/2021	New	02/12/2021	02/12/2021	R 5.8 million
38	Botha Sigcau Building - Ablutions, Kitchens, Cleaners room, Skylight to Atrium and Plant room, Fire Detection and Electrical Upgrade - Phase 1	OR Tambo	Under Construction (Progress – 65%)	24/04/2019	Upgrades & Additions	23/03/2021	23/08/2021	R 23,8 million

No.	Project Name	Region	Project Status	Project Start Date	Nature of Investment	Original End Date	Projected End Date	Total Project Cost
39	Construction of Cwele Clinic	OR Tambo	Under construction (Progress – 5%)	07/12/2020	New	03/11/2021	03/11/2021	R 17 million
40	St Elizabeth Hospital – Lilitha, Laundry Peads and Related Works	OR Tambo	Under construction (Progress – 99%)	06 Sept 2017	Upgrades & Additions	06 Nov 2019	02 April 2020 (EOT Claim pending)	R 249,075,858.22
41	Construction of Aliwal North Cluster Offices	Joe Gqabi	Under Construction (Progress – 90%)	17/05/2016	Upgrades & Additions	28/09/2018	30/08/2021	R 191 million

H. Plans to close down or downgrade any current facilities.

Property Management does not have any record of schools planned to close down or down grade as it is not its mandate to deal with closed schools, but that of the Department of Education, in terms of its school rationalisation programme.

I. Progress made on the maintenance of infrastructure.

As per the approved IPIP for 2020/21 financial year, the following APP targets were achieved:

- Eight (08) out of ten (10) declared targets - designs ready to tender.
- Seven (07) out of six (06) declared targets - projects to be awarded.
- Four (04) out of five (05) declared targets - projects completed.

J. Developments relating to the above that are expected to impact on the Department's current expenditure.

To achieve the above declared targets, a budget of R148.6 million has been spent against the allocation of R202.8 million. Overachievement with respect to design was due to the inclusion of an urgent project in Mthatha (Botha Sigcau Building) for Office Accommodation requirements. The underachievement with respect to award was due to the same Botha Sigcau project which got delayed, to get the approval due to National Lockdown. Underachievement with respect to completion of three projects was as a result of National Lockdown, those project were in fact about to be completed and have no impact on the expenditure.

K. Details on how asset holdings have changed over the period under review, including information on disposals, scrapping and loss due to theft.

Summary for movement in the immovable asset register for the financial year under review:
IAR movements for the 2020/21 FY:
Opening balances: 4 503 properties (audited list)
R8 278 706 000
Closing balances: 4 560 properties (audited list)
R8 571 073 000

<u>Movements per Quarter</u>:

Q1: Twelve (12) Vestings; one (1) acquisition (Erf 30404, East London);

Q2: One (1) Acquisition through land swap - Erf 84476 East London consolidated from Erven 29401 & 81497 East London this was registered on the 31 July 2020. Three (3)
Item 28(1) Certificates received 4th June 2020;

Q3: Three (3) Transfers out (Erf 255 Hamburg & Erven 13516 - 13517 East London). Fourteen (14) Item 28 (1) Certificates received. One (1) property added through research Remainder Farm 239 Komga RD;

Q4: One 1 -Farm 110 Kwa-Bhaca RD withdrawn sg diagram which means certificate is no longer valid. 24 - Item 28(1) Certificates received. Two (2) Disposal of Alice properties (Erven 532 & 948 Alice). In May a further 23 vesting certificates received signed on the 27 & 31 March 2021. One (1) property identified through research (caveat information - vesting). One (1) consolidation: five (5) land parcels in Grahamstown consolidated to one property, Erf 9537 Grahamstown.

Summary of movements:

The verified movements in the asset register consists of:

1. Received vesting certificates for (66) land parcels;
2. Acquisitions / land swap of two (2) land parcels;
3. Disposals of (7) land parcels where two (2) land parcels were recorded as non-cash;

4. Consolidation of five (5) land parcels in Grahamstown to one registered consolidation – Erf 9537, Grahamstown;
5. Acceptance of an s42 certificate for DoE and three (3) completed projects by the Department, within the existing facilities, thereby attributing to the change of value in the Immovable Asset Register.

Unaudited properties: **7 674**

L. Measures taken to ensure Department's asset register remained up-to-date during the period under review.

The IAR is maintained on a daily basis and all movements (financial and non-financial) are recorded in a monthly narrative report. These movements include transfers *vide* S42, new Item 28(1) – vesting received from National Rural Development and Land Reform, disposals and acquisitions of assets through the Deeds Offices, etc. The WIP register is also updated on a monthly basis.

Completeness is verified against the records of the deeds offices (deeds down load). This is further supported by comparisons with other custodians (national and provincial) to avoid any duplication. Value-added information is received from physical site inspections, land audits as well as other sources, e.g. lease registers from Regions. Due to the national lockdown travel restrictions, site visits and land audits were limited.

M. The current state of the Department's capital assets, for example what percentage is in good, fair and bad condition.

Condition rating	Percentage
C1 (Very poor)	4%
C2 (Poor)	10%
C3 (fair)	40%
C4 (Good)	41%
C5 (Excellent)	5%

N. Major maintenance projects that have been undertaken during the period under review.

Maintenance Projects completed

The Department has undertaken four (4) maintenance projects and one (1) was an emergency project.

No.	Project Name	Municipality	Project Status	Nature of Investment	Project Start Date	Project End Date	Total Project Cost
1	Emergency Roof Repairs & Replacement to Chungwa Building	Bhisho	Completed	Upgrades & additions	09/05/2019	30/09/2020	R 17,5 million
2	Repairs & Renovations to QTN depot	Chris Hani	Completed	Upgrades & additions	17/05/2019	31/03/2021	R 11,4 million
3	Ex-Mary Theresa Hospital-conversion of Nurses Home into offices	Chris Hani	Completed	Upgrades & additions	22/09/2018	23/03/2020	R 6 million
4.	Komani Office Park	Chris Hani	Completed	Upgrade & additions	04/10/2016	30/09/2020	R 148.8 million
5.	Amatola Sun Hotel Fencing	Bhisho	Completed	New	20.07.2020	20.11.2020	R 10 million

Maintenance Projects under construction

No.	Project Name	Municipality	Project Status	Nature of Investment	Project Start Date	Project End Date	Total Project Cost
1	OTP (Old ECDC) building-Repairs and Upgrade to fire damage at the office of the DG	Bhisho	Under construction	Upgrades & additions	12/12/2019	28/08/2021	R 43,3 million
2	Repairs & Renovations to QTN Depot	Chris Hani	Under construction	Upgrades & additions	17/05/2019	31/02/2021	R 11,4 million
3	Botha Sigcau Building-Ablutions, Kitchens, Cleaners room, Skylight to Atrium and Plant room, Fire Detection and Electrical Upgrade Phase1	OR Tambo	Under construction	Upgrades & additions	24/04/2019	23/08/2021	R 23,8 million
4	Botha Sigcau Building – Refurbishment of electrical, Mechanical and Fire installation in the building (from 3rd floor to 11th floor)	OR Tambo	Under construction	Upgrades & additions	01/02/2020	31/04/2021	R16 million

O. Progress made in addressing the maintenance backlog during the period under review, for example, has the backlog grown or become smaller? Is the rate of progress according to plan? If not, why?, and what measures were taken to keep it on track.

During the period under review, the Department implemented the maintenance projects with an intention to create relief on office accommodation crisis experienced by various client departments. The Department has managed to bring office accommodation relief in Bhisho and Joe Gqabi regions and more office spaces will be provided as more projects were already due for completion prior to the outbreak of the COVID-19 Pandemic.

Part: C

3. PART C: GOVERNANCE

3.1 Introduction

Section 38(1)(a)(i) of the PFMA states that the Accounting Officer for a Department must ensure that the Department has and maintains effective, efficient and transparent systems of financial and risk management and internal control. Commitment by the department to maintain the highest standards of governance is fundamental to the management of public finances and resources. Assurance that the department has good governance structures in place to effectively, efficiently and economically utilise the state resources, which is funded by the tax payer.

3.2 Risk Management

The Department has an approved Risk Management Policy that articulates the DPW risk management philosophy. The approved Risk Management Policy is aligned to the Risk Management Strategy that ensures an integrated approach in the management of risk in the Department, by adopting a common language, process and methodology.

Both the Risk Management Policy and Strategy are yearly reviewed and approved, to ensure that the overall risk management approach is in line with current best practice. The risk policy, and strategy result in valid, accurate and complete risk assessments, consistent and reliable risk analysis and very comprehensive risk evaluations. It also gives the Department the opportunity to focus on the intended benefits for the coming year, identify the risk priorities and ensure that appropriate attention is paid to emerging risks, with more emphasis on providing proactive and predictive risk management information.

Because the Risk Management Policy acts as the primary internal risk governance mechanism, it provides the guidance required for the broader department to practice sound risk management, therefore enabling the successful drafting of a risk management plan to implement risk management that has at the operational business level consistent processes for identifying, monitoring and measuring risks across different businesses and risk classes with risk profile that includes emerging risks.

Accompanying the Risk Management Policy and Strategy is a Risk Management Implementation plan that outlines the activities performed during the year in the implementation of the Risk Management Policy and Strategy, to ensure effectiveness of the risk management processes in the department. The approved Risk Management Strategy is an accepted methodology by the department in the implementation of risk management process. The Strategy is aligned to Treasury Regulation 3.2.1 on the expectations of the Accounting Officer towards risk management. The Risk Management Implementation Plan for Department of Public Works gives effect to the implementation of the Risk Management Policy and Strategy and sets out all risk management activities planned for the current financial year.

The risk identification process as outlined on the strategy takes into consideration the Institute of Risk Management South Africa Risk Report on top 10 risks identified in the country, the State of the Nation Address as well as the State of the Province Address, in addition to the Department's Strategy to ensure effective risk assessment process and incorporation of emerging risks into departmental risks profile. During the year under review, the Department identified strategic risks which are clearly outlined on the Departmental Strategic Risk Register. The Department further identified operational risk and ICT risks which are outlined on the ICT risk register and Programme Risk registers. On a monthly basis a process of risk assessment is conducted and emerging risks identified and reported to the Departmental Top Management Committee, Risk Committee and Audit Committee.

The Head of Department appointed an independent executive to chair the departmental Risk & Ethics Management Committee. The membership of the Risk and Ethics Management Committee includes all Programme managers, Regional Directors, CFO, Chief Director Corporate Services, DGITO and Head of Internal Audit, who is appointed as an ex officio member.

The committee's roles and responsibilities are clearly outlined in an approved Risk & Ethics Management Committee Terms of Reference. The committee advises the Head of Department (HOD) and the Audit Committee of the Department on matters relative to risk and management and the effectiveness of the risk management processes in the Department. The Risk committee provides assurance to the HOD and the Audit Committee on the adequacy of actions taken to minimise / manage the risks facing DPW. One of the key responsibilities of the committee is to provide input on the evaluation, assessment, mitigation, and monitoring of all risks affecting the achievement of departmental objectives, thus ensuring that risk management processes are implemented timeously.

The Audit Committee perform its role on overall oversight and monitoring of the Enterprise Risk Management in the department. The Risk Management is always a standing item on the Agenda of the Audit Committee. Risk Management policies and plans developed and reviewed are endorsed by the Audit committee prior approval by the Head of the Department. Progress report on the implementation of risk management activities is presented to Audit Committee on a quarterly basis.

On quarterly basis, Enterprise Risk Management conducts monitoring process on risks identified to assess changes on the residual risk rating. The monitoring process entails in-depth analysis of the actions implemented to mitigate or respond to a risk. The monitoring further analyses the effectiveness of the responses to risk, the impact of the responses to the risk and a conclusion on the status of the risk. The process then depicts improvements and regression in the management of risks by a program or directorate. The reviewed risk management policy currently enables alignment in the risk management process and the departmental performance. The alignment will impact on changes in the risk profile mirroring on departmental performance. A positive correlation will then exist between improvements in the system of risk management and the organisational performance. There is still a challenge in managing the risk in payment of contractors that are involved in projects of client departments as the control of the risk is beyond Department of Public Works control.

3.3 Fraud and Corruption

The Department has an approved Ethics & Anti-Corruption strategy (also known as the Fraud Prevention Plan/Strategy) developed and designed to prevent unethical behaviour, corruption and maladministration. This Fraud Prevention Strategy is aligned to a 5 year DPW strategy and focuses on training of officials on ethics and corruption matters; institution of stringent internal control measures prevent fraud from occurring; implementing proactive investigation arising from effective fraud risk management; taking harsh actions against officials and service providers involved in corrupt activities and strengthening the financial and administrative capability.
During the 2020/21 financial year, the Department geared itself towards realising the benefits of the implemented strategy over the previous MTEF, by aligning programmes and actions that would embed fraud prevention mechanisms into the day-to-day operations of the DPW. However, the impact of the COVID-19 pandemic meant that a readjusted fraud prevention plan had to be implemented, taking into consideration emerging fraud risks such as the increased possibility of cyber fraud, due to increased use of technology to virtually communicate, and the high perceived risk of manipulation of procurement processes as a result of COVID-19 emergency requirements, which needed the Department. Some of the challenges faced in the implementation of this fraud prevention strategy for the financial year in question included:

- Limited coverage of officials during the Ethics Awareness workshops due to COVID-19 pandemic resurgence within the Province, and
- Unavailability of officials with comorbidities due to COVID-19, makes it practically difficult for investigations to continue as the process of interviews require a face-to-face contact with the persons of interests.

Apart from the challenges, the DPW was able to conduct 20 ethics and fraud awareness workshops to all departmental employees, which included a fraud awareness drive to all Departmental officials of all levels, which took place within the Head Office. The fraud awareness drive included door to door campaigns, where flyers and brochures and promotional material were distributed with anti-corruption and fraud prevention messages. Use of virtual messaging platforms to create awareness on fraud and corruption related issues, including the cyber fraud awareness risks, such as phishing via all Departmental laptops and desktops as screensavers.

Moreover, the management of fraud risk from a high to more moderate and low risks by DPW management demonstrates great progress of the strides taken to effectively deal with a risk of fraud and corruption within DPW. Notwithstanding the effective fraud risk management, the Department finalised 11 investigations for the period under review and decisive actions were taken against those found to have committed acts of corruption, maladministration and unethical conduct.

More worthy to mention is that, DPW, as at the end of 2020/21 financial year had zero reported National Anti-Corruption Hotline cases, referred to it by the Public Service Commission (PSC). This significant feat is symbolic towards the Department's fight on corruption and its commitment towards a clean and corruption-free public service.

Other mechanisms put in place by the department, to detect fraud and corruption include but not limited to an approved Whistle Blowing, Ethics & Anti-Corruption policies that direct employees on how to report any allegations of corruption, maladministration and unethical conduct. Employees are advised to always remain anonymous, in order to protect themselves against any possible occupational detriment. The reported cases are investigated as per the approved Investigation Policy that guides the department on how to investigate action.

3.4 Minimising Conflict of interest

Over and above the mentioned Supply Chain Mechanisms to manage conflict of interest, the Department has an approved Ethics Management Strategy, which includes the following activities with regard to management of conflict amongst the employees:

- **Financial Disclosure of SMS and Other designated employees**

During the 2020/21 financial year, the DPW achieved a 100% compliance on SMS Financial Disclosure, 100% on OSD (equivalent SL 12 and 11 categories) designated employees, 100% on MMS (SL 12 and 11 categories) designated employees and 100% on SCM/Finance designated employees' categories. Moreover, the analysis of financial disclosure performed revealed that no SMS members had direct conflict of interest and also those identified potential conflicts of interest were disclosed and explained accordingly.

- **Management of Other Remunerative Work**

Out of the 12 applications to perform other Remunerated Work outside public service, the Department approved all 12 applications. The approved RWOPS were in relation to residential accommodation, funeral parlour services, private maintenance work and other selling of products. No approval was granted for any employee doing business with an organ of state or any employee that conducts business that is in conflict with the primary mode of services offered by the Department.

- **Other management of Conflict of Interest mechanisms**

Mechanisms such as an approved Conflict of Interest Policy and proactive management of Provincial Treasury Conflict of Interest search results, the Department had zero actual conflicts of Interest identified and reported by both the Auditor General and Provincial Treasury. All potential conflict of interest cases reported were dealt with by ensuring that employees who are directors of companies listed per the Centralised Supplier Database deactivate their supplier numbers, resign as directors and declare their potential conflict of interest in the prescribed form. Furthermore, the approved Gift Policy and its guide has enabled employees to understand the departmental stance on gifts and when necessary declare any gifts received or declined in the departmental Gift Register.
Lastly, the approved Conflict of Interest policy guides the declaration process of non-designated employees and the process the employees should take in matters where they are conflicted during recruitment processes.

3.5 Code of Conduct

As part of advocacy on the Code of Conduct, an Ethics Management Strategy to drive the awareness programmes on communicating the message of ethical behaviour, was approved.

Activities performed to advocate the Batho Pele Principles, Service Delivery Charter and Code of Conduct include various awareness programmes from both the regional and head office level. Approved Service Delivery Charters, Anti-Corruption pledges and departmental values are placed in visible arears within the Department, to ensure that stakeholders and the public understand the DPW messages on its intent to adhere to the professional values, principles and ethics of good governance. All officials who breach the code of conduct are dealt with in terms of the Departmental Disciplinary Code and Procedures.

All new officials are required to sign an updated Code of Conduct as they assume duties. The signed Code of Conduct is filed on the personnel file of each employee.

3.6 Health Safety and Environmental Issues

The Department is committed to implementing Safety, Healthy, and Environment measures, to ensure a safe and healthy working environment for employees and visitors. The Department is also committed to preventing occupational injuries and diseases in the workplace and is continually providing Health and Safety standards operational procedures, to minimise hazards in a safe manner and compliance with relevant legislation, regulations, codes, standards and practices. DPW stresses the effects of health and safety practices in the workplace as follows:

Protecting staff

Health and safety guidelines are primarily to protect management and staff from injury, illness, or coming into any other form of harm in the workplace.

Reducing absences

Health and safety guidelines reduce the risk of work-related illnesses and injuries and therefore reduce staff absences.

3.7 Portfolio Committees

The Portfolio Committee met with the Department of Public Works on two sets of meetings, firstly to consider the 2020/21 financial year Appropriation Bill and Annual Performance Plans of the Department. This first set of meetings included the presentation of the Political and Administrative Overview by the MEC & HOD on 04 June 2020; presentation of Programmes 1-3 on 11 June 2020 by the Department; Consideration and adoption of Appropriation Bill Report by the Committee on 19 June 2020.

The second set of meetings were intended to consider the Financial Oversight and Half yearly on 13 November 2020, for the presentation Political Administrative and Financial Overview; presentation of Programmes 1-3 on 27 November 2020 by the Department. The Portfolio Committee met with the Department of Public Works on 10 December 2020, for the presentation of the Political and Administrative Overview by the MEC and HOD; (Annual Report); presentations of Programmes 1, 2&3 Annual Report by the Department on the 15 December 2020. Below are findings, recommendations as well as Departmental responses.

NO	FINDINGS	RECOMMENDATIONS	RESPONSES
PROGRAMME 1: ADMINISTRATION			
(a)	The organogram of the Department that is not finalised poses concern of instability.	The Department must take all required steps to ensure the finalisation of the organogram.	The Department welcomes the recommendation of the Committee. The department has received the affordability letter from Provincial Treasury. The business case has been submitted to the Office of the Premier for further transmission to the Department of Public Service & Administration for concurrence.
(b)	The Committee has noted the effort by the Department to reduce the use of consultants but believes that the Department can do better.	The Department must speed up the process of training and up-scaling of the skills of in-house personnel so that the use of consultants is minimized.	The Department is committed to capacitate internal staff through implementation of skills development plan for 2020/2021. Furthermore, the filling of the critical posts, once the structure is approved, will also assist in building the internal capacity of the Department, thus minimize utilization of consultants. The Departmental talent management strategy and plans for the year include: **QUARTER 1 PROGRAMME:** Rescheduled to later quarters due to national lockdown **QUARTER 2 PROGRAMME** • Women Annual Conference = 10 SMS • Property Development and Investment Programme = 25 SMS and MMS • Monitoring and Evaluation = 9 SMS and MMS • Facilities Management = 25 SMS and MMS **QUARTER 3 PROGRAMME** • Diversity Management = 75 SMS; MMS and AMS **QUARTER 4 PROGRAMMES** • Executive Management Programme = 20 SMS • Advanced Management Development Programme = 20 MMS
(c)	Although the Department is making an effort to reduce its debt to the municipalities, it still owes them a huge amount of money.	The Department must come up with a comprehensive plan that will address the non-payment of municipal debts, to avoid being charged interest on outstanding amounts.	The plan is to continue assisting municipalities to reconcile a valid, accurate and complete rateable charge for the Eastern Cape Public Works account. The Department will continue settling debt that is legally due. Currently, interest charges are raised but not paid.

NO	FINDINGS	RECOMMENDATIONS	RESPONSES
		PROGRAMME 1: ADMINISTRATION	
(d)	The pace at which the audit outcomes are dealt with is a serious concern, matters of emphasis and material findings caused by irregular expenditure findings of a previous financial year, are carried to the next financial year.	The Department must continue to seek approval for the condonation of the irregular expenditure, so as to avoid carrying these to the next financial year. It must also put in place control systems that will ensure that no irregular expenditure is incurred.	The Department will continue to submit condonation applications with Provincial Treasury. The current turnaround time is slow. The systems relating to lease agreements (valid extensions) and security contracts (timeous procurement) have been strengthened, to avoid irregular expenditure.

NO	FINDINGS	RECOMMENDATIONS	RESPONSES
		PROGRAMME 2: PUBLIC WORKS INFRASTRUCTURE	
(a)	The Department is slow in recovering historical debt.	The Department must give the process of recovering its debt the urgency and priority it deserves.	The Department will continue to implement a legal process in all the regions, to recover historical debt or tenants face eviction. Through the Office of the CFO, the Department is issuing monthly statements to all tenants.
(b)	The Department has appointed a Service Provider, contrary to what the Committee was advised in the previous financial year that the Department will make use of their own artisans to maintain the properties..	The Department must speed up the training programmes that will up-scale and develop in-house teams so that the use of consultants is minimised.	The Department welcomes the recommendation of the Committee. The Department remains committed to build technical and professional capacity. Furthermore, the Provincial Infrastructure Management Office (PIMO) will help handhold the 51 internally developed professionals, to plan, design and deliver high value projects within scope and budget.
(c)	The Committee appreciates the allocation of R30m for Prestige Portfolio but this does not appear that this would be enough to deal with the huge backlog in this portfolio. .	The Department must seek assistance from the Provincial Treasury for more funds in order to address the shortfall in the Prestige Portfolio budget.	The Department has already costed the maintenance work required on the Prestige Portfolio. The costed maintenance requirements will be submitted to Provincial Treasury during the budget process of 2021/22 financial year.
(d)	The process of dealing with illegal occupation in government properties is not adequately addressed. .	A comprehensive plan to that effect must be developed to solve illegal occupation challenges and be implemented to avoid reoccurrence of this nature.	The office of the State Attorney has been engaged to assist with all illegal occupations of the provincial property portfolio. Appointments have been made for OR Tambo and Amathole regions. The Department is finalising appointments for Sarah Baartman, Chris Hani and Nelson Mandela Bay regions. To date the Department has successfully obtained 14 court orders for the eviction of illegal occupants (10 residential and 4 commercial) in Mthatha. The execution of the orders are on hold, pending the relaxation of the COVID-19 regulations.
(e)	The Department is intending to hold a Property investment Conference to address the	The Committee appreciates the effort to hold a Property Investment Conference and hopes that it will	The Conference has been postponed in compliance with Covod-19 regulations and later due to provincial decision to hold a provincial conference incorporating economic development opportunities from various sectors in the Province,

NO	FINDINGS	RECOMMENDATIONS	RESPONSES
PROGRAMME 2: PUBLIC WORKS INFRASTRUCTURE			
	backlog in Property Management in the Department.	address the backlog of disposing properties that are due for disposal and increase revenue for the Department.	A resolution has been taken to extract 51 properties from the Bid Book, to advertise and request proposals for long term leasing development in order to generate revenue for the Provincial Government.
(f)	The Committee has established that the Department is not fully compliant with regards to its current Asset Register.	The Department must complete its land audit to ensure that the Asset Register is compliant with the requirements by National Treasury. A progress report should be submitted to the Committee within 2 months after tabling of this report.	The new Standard for the Accounting and Reporting of Immovable assets issued in February 2020 requires the Department to record all municipal valuations against the 12 168 properties in the IAR as on 31 August 2020. To date 8 450 property values have been captured. The Department is targeting to have values included for the total population by end March 2021.
(g)	The committee appreciates the assistance provided to the Department of Health to deal with the COVID-19 pandemic, but the 17 out 37 projects completed might be a challenge, as the pandemic is fast growing and the Province might find itself over-whelmed as far as infrastructure is concerned.	The Department must develop a plan that will see that projects earmarked to assist in COVID-19 pandemic are prioritised and finalised without any delays so that when the pick of infections arrives, all these projects will be complete and ready for use by the user department.	The recommendation of the Committee is noted. The implementation of the projects is closely monitored through, among others, the MEC's oversight visits to the facilities refurbished as well as Qwalasela Engagement sessions. These initiatives and interventions made are yielding positive results. To date, thirty-two (32) projects have been completed while forty-seven (47) will be completed by end September 2020.
(h)	The safeguarding of government properties including the closed schools is not aggressively addressed by the Department.	The Department must provide a plan to safeguard all Departmental properties including closed schools.	PgM 3 presented Operation Khusela as a strategy to safeguard Departmental Properties.

NO	FINDINGS	RECOMMENDATIONS	RESPONSES
PROGRAMME 3: EXPANDED PUBLIC WORKS PROGRAMME			
(a)	The Committee appreciates the plan by the Department to conceptualize and launch a COVID-19 Youth Brigade Programme.	The Department must ensure that this plan is implemented, as this will contribute to job creation in the Province.	The Department notes the recommendation of the Committee. Progress on the implementation of the Youth Brigade Programme will be submitted to the Committee.

NO	FINDINGS	RECOMMENDATIONS	RESPONSES
GENERAL FINDINGS			
(a)	The Department seems to be setting low targets, which can result in superficial overachievement.	The Department must refrain from setting low targets that may result in superficial overachievement.	This finding might be in relation to a pattern of targeting 95% instead of 100% implementation of certain indicators. This has been a recommendation from our Audit Committee, following a robust credibility assessment of our plans by the Audit Committee, where they tested our target setting against the “SM**AR**T criteria”. They argued that for our targets to fit the **A**chievability and **R**ealist elements of the SM**AR**T criteria, we should take external risk factors into consideration in formulating targets and rather set our targets in line with the “Departmental risk appetite & tolerance statement” that deems 90-95% achievement of targets as set out in the Annual Performance Plan to be the acceptable level of risk exposure, in pursuit of its strategic goals. So these targets are in line with the risk appetite of the Department.
(b)	Whilst the Committee applauds the Departmental plans tabled, the Department is urged to put all these plans into action so that they do not just remain on paper.	The Committee urges the Department to action all the plans that it has tabled before the Committee, as they will appear as dreams until implemented.	The recommendation of the Committee is noted. Quarterly reports on the implementation of the Departmental plan will be submitted to the Committee.

3.8 SCOPA Resolutions

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
1.	Irregular expenditure	Irregular expenditure of R969 million that has accumulated over a number of years and has not been recovered or condoned, irregular expenditure of R132 million incurred during the current year is included in the balance of R969 million. 1.1. Please provide this Committee with reasons why the Accounting officer failed to prevent irregular expenditure totalling R132 million as required by section 38(1) (c) (ii) of the PFMA. 1.2. Has the Department conducted investigations into all cases of irregular expenditure relating to previous financial periods? Kindly provide this committee with evidence of consequence management implemented as a result of the investigations. 1.3. To what extent has the Department dealt with irregular expenditure balances from previous years? What is the current status of applications for condonations that the Department submitted to Treasury? 1.4. What further adjustments will the accounting officer make to strengthen internal controls and mitigate recurrence of this finding?	1.1 The irregular expenditure amounting to R132 million was mainly (75%) due to payments made on expired leases and security contracts. Please see the detailed breakdown below: SCM non-compliance R32 million Security contracts R14 million Operating leases R86 million Total R132 million • SCM non-compliances consist of transgressions including negative commitments, invoices dated pre-order date and internal supply chain management compliance assessments. • The security contracts have since been renewed and not extended as in previous financial years. • For all expired lease contracts, the renewal approval has been received from the MEC. The procurement of leases has been initiated and the procurement is now classified as regular. The Accounting Officer has implemented the following systems and controls to prevent irregular expenditure: • Approved supply chain management manual. • Approved supply chain management business processes (with Provincial Treasury assistance). • Approved supply chain management delegations of authority. • Supply chain management bid committees (with terms of reference) – Required to scrutinise the procurement documentation prior to recommendation of an award. The committee members are updated with the new regulations and circulars by electronic media and regional training visits by senior head office supply chain management officials. • Pre-audit unit is verifying and certifying the correctness of procurement documentation prior to payment. • The custodianship of irregular expenditure has been moved from supply chain management to Internal Control (Compliance Unit). The compliance unit perform annual regional visits where 100% of awards made are reviewed. These systems and controls have strengthened the internal control environment but acknowledges that further strengthening of the control environment is required to totally eradicate occurrence of irregular expenditure.	Partially

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
			1.2 The Department has performed investigations on historical irregular expenditure and disciplinary actions were taken. This process resulted in clearing irregular expenditure through condonations (R462 million as per annual financial statements). The Department acknowledges that not all the historical irregular expenditure investigations have been conducted. Please refer to detailed breakdown below: Historical irregular expenditure balance R837 million Balance investigated R300 million Balance to be investigated R536 million Current irregular expenditure balance R132 million Balance investigated R86 million Balance to be investigated R46 million 1.3 The current status of condonation applications is: • Successful condonations received is R6 million. • Unsuccessful condonations amount to R380 million. Provincial Treasury highlighted the reasons for not granting condonation. The Department is now addressing those short comings and preparing a re-submission by 31 January 2021. • The Department is now planning to deal with the remaining balance. The plan includes transgressions by the Roads directorate whilst still in the custodianship of Public Works. Both Accounting Officers (Public Works and Transport) agreed on the investigation initiation and the implementation of consequence management. 1.4 The Accounting Officer will be implementing further adjustments by: • Capacitating the Internal Control Unit to conduct investigations more effectively. • Improving the head of supply chain management communication and training of practice notes in the Province.	
2	Fruitless and Wasteful expenditure	Fruitless and wasteful expenditure of R6,9 million that has accumulated over a number of years and has not been recovered or written off. Fruitless and wasteful expenditure of R504 000 incurred during the current year.	2.1 The Accounting Officer has implemented the following systems and controls to prevent fruitless and wasteful expenditure: • Approved supply chain management manual. • Approved supply chain management business processes (with Provincial Treasury assistance). • Approved supply chain management delegations of authority.	Partially

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		2.1 Why has the accounting officer failed to prevent fruitless and wasteful in line with the requirements of Treasury regulation 9.1.1.? 2.2 Why was fruitless expenditure, amounting to R176, 1 million from the previous period not investigated, to determine whether a person is liable for the expenditure? When will the investigations be conducted? 2.3. What plans does the Department have to curb fruitless and wasteful expenditure? How have the controls that were put in place in the previous year been utilised?	• Supply chain management bid committees (with terms of reference) – Required to scrutinise the procurement documentation prior to recommendation of an award. The committee members are updated with the new regulations and circulars by electronic media and regional training visits by senior head office supply chain management officials. • Pre-Audit Unit is verifying and certifying the correctness of procurement documentation prior to payment. • The custodianship of fruitless and wasteful expenditure has been moved from supply chain management to Internal Control (compliance unit). The compliance unit perform annual regional visits where 100% of awards made are reviewed. 2.2. The Department has not investigated the R176.1 million as this balance is not existing. The total closing balance is R6.9 million. 2.3. The fruitless and wasteful expenditure amounting to R504 thousand was incurred as follows: Non-attendance of events R233 000 Interest R238 000 Other R 33 000 Total R504 000 The Department has conducted Investigations relating to the current year fruitless and wasteful expenditure. 2.4. Continuation of awareness sessions provided to officials in all regions and the implementation of timely consequence management.	
3	Procurement and Contract management	Goods and services of a transaction value above R500 000 were procured without inviting competitive bids, as required by Treasury Regulation 16A6.1 The preference point system was not applied in some of the procurement of goods and services above R30 000 as required by section 2(a) of Preferential Procurement Policy Framework Act and Treasury Regulation 16A6.3(b) Contracts were modified without the approval of a properly delegated official as required by section 44 of the PFMA and Treasury Regulations 8.1 and 8.2 3.1. Why were seven contracts with a value of R13, 3 million procured without inviting	3.1 The contract extensions relate to security contracts and the affected amount has been declared as irregular expenditure in the 31 March 2020 annual financial statements. The Department has investigated the matter and charged the affected employee. A sanction was issued and the employee subsequently resigned. The Department can now initiate the recovery process. 3.2 The contract extensions relate to lease agreements and the affected amount has been declared as irregular in the 31 March 2020 annual financial statements. The nature of the transgression relates to the extension of contracts without testing the open market. The transgression has been investigated and the affected employee charged. The recovery process was initiated and submitted to Provincial Treasury. 3.3 There were weaknesses identified in the monitoring of the procurement plan implementation. Whilst the procurement plan was not fully implemented, the expenditure continued to an acceptable level. 3.4 The legislation specific to procurement does not prohibit the Department from making such awards, but compliance with the legislation and policies was tested by the AGSA to ensure that conflicts of interest did not result in contracts being	Yes

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		competitive bids? Has the Department investigated this matter? What disciplinary action has the Department taken against the officials who have been found to have allowed this transgression? 3.2. Why did the Department extend 37 contracts totalling R95, 2 million without the approval of a properly delegated official? What were the findings of the investigations conducted with respect to the said cases? Please detail the disciplinary action that the Department has taken against the implicated officials who have committed these transgressions? 3.3. Please provide reasons why the Department's Procurement Plan was not followed to the letter during the year under review? 3.4. Why was the necessary due diligence not exercised in awarding a contract valued at R5 922 395 million to a close relative of an official of the Department? 3.5. Of the 117 active cases being investigated by the Department, 52 of those cases exceed a period of 6 months. Why is the department not prioritising the finalisation of investigations?	unfairly awarded or unfavourable price quotations being accepted. In the test performed by the AGSA, it was noted that the supplier declared the interest, the official declared the interest as well and there were no indications/facts identified that the official might have been involved in the awarding of the contract/quotation. As such there was no non-compliance identified relating to this award and due diligence was exercised. The Department is prioritising and continuing with all investigations. The extent and nature of the investigations is in excess of what the capacity can deal with.	
4	Internal controls	The Department did not effectively implement and monitor the processes in place that are designed to prevent and detect non–compliance with laws and regulations The Department developed an audit action plan to address the prior year findings: however, this was not fully implemented, which resulted in some repeat findings. 4.1. What role did the Audit Committee play in monitoring the Department's compliance with laws and regulations? 4.2. Is the Department's work force fully capacitated on the guiding laws and regulations, especially as they relate to	4.1. The Audit Committee plays an active oversight role in compliance with laws and regulations. The oversight role is exercised by quarterly oversight meetings which include: • Supply chain management compliance reports. • Internal audit reports. 4.2. The work force is not fully capacitated on the guiding procurement laws and regulations. To address this shortcoming, the Department has: • Implementing capacity building programmes. • Internal compliance training. 4.3. The Audit Intervention Plan is prepared from the Auditor-General findings. The responsible person to monitor the implementation is the Director: Internal Control. Actions are designed and implemented throughout the financial year up to 31 March. The implementation rate was 93%.	Yes

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		procurement? Please provide evidence of capacity building programmes 4.3. Why was the Audit Intervention Plan not fully implemented? Does the Department have a designated official who monitors the implementation of the AIP? What corrective action does the Department take against an official that fails to deliver on their key performance area? 4.4. Is the Audit Improvement Plan prepared for mere compliance? If not, why are there repeat findings?	Most of actions are completely implemented at year-end. There are two areas of non-implementation. • The first relate to the condonation of all historical irregular expenditure. The Department has not addressed all the condonement of historical irregular expenditure and therefore the audit intervention plan was not fully implemented. • The second relates to the approval of the organisational structure.	

3.9 Prior modifications to audit reports

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter*
Unqualified with matters of emphasis on: • Irregular expenditure to an amount of R1, 003 Billion. • Fruitless and wasteful Expenditure to an amount R2,7 million. • Restatement of corresponding figures: 1. Immovable Tangible Capital Assets; 2. Operating future lease revenue 3. Operating lease Commitments-Buildings	Before 2015/16	• Irregular expenditure cases investigated and consequence management has been applied to transgressors. This resulted to an amount of R575 million applied for condonation in the current financial from Provincial Treasury. • Fruitless and wasteful expenditure cases investigated and an amount of R4.9 million has been resolved, in the form of write off, recovery and reversal of invalid entries. The restatement was due to the following: • The guide for Accounting and Reporting for Immovable Assets does not require financial disclosure for properties where there is no legal tittle even though these properties might have reliable cost but instead are recorded in a separate register and reported on in a narrative format; • Non-Disclosure of operating future lease revenue; • Overstatement of operating Lease Commitments. The two (2) were resolved at the time of signing the Audit Report, and the operating future lease revenue will be disclosed in the current Annual Financial Statements
• Material impairment- accrued departmental revenue • Effects of COVID-19 pandemic	2019/20	• Monthly reconciliations are performed to address the matter • Conduct trainings and effect consequence management where necessary

3.10 Internal Control Unit

Internal Control Unit is made up of sub-components which are listed below and their responsibilities are as follows:

Governance

A. Managed 2019/20 external audit with a total of 133 RFIs and 32 COAFs as follows:

- 95 FRIs for Public Works and Infrastructure (DPW) and 23 COAFs;
- 12 RFIs for Department of Health (DoH) and 2 COAFs;
- 20 RFIs for Department of Education (DoE) and 6 COAFs;
- One (1) RFI for DRDAR;
- One (1) RFI COGTA;
- One (1) RFI for DSRAC; and
- Three (3) RFIs for Department of Social Development (DSD).

B. Facilitated responses to SCOPA questions

C. Facilitated the development and monitored implementation of the 2019/20 external audit improvement plan.

Facilitated 21 policy review and approval as per table below:

Number	Policy Description	Approval Date
1	Communication Policy	13 April 2021
2	Customer Care	13 September 2020
3	Budget Policy	8 February 2021
4	ICDP Policy	23 February 2021
5	NYS Policy	23 February 2021
6	Internal Control Policy	8 February 2021
7	Financial Delegations D1	Tuesday, July 7, 2020
8	Financial Delegations D2	Tuesday, July 7, 2020
9	Wellness Management Policy	8 February 2021
10	Safety, Health, Environment, Risk and Quality (SHERQ) Management Policy	7 July 2021
11	Social Responsibility Policy	8 February 2021
12	ICT Firewall Policy	8 February 2021
13	Internal control policy	8 February 2021
14	Risk Management Policy	13 July 2020
15	Anti-Fraud & Corruption Policy	13 July 2020
16	Whistle Blowing Policy	13 July 2020
17	Gift Policy	13 July 2020
18	Ethics and Conflict of Interest	13 July 2020
19	Investigation Policy	13 July 2020
20	Risk Management Strategy Policy	13 July 2020
21	Uniforms and Protective Clothing Policy	8 February 2021

Facilitation of 12 reviewed policies that are in the process of approval as per table below:

Number	Policy Description	Status		
		Awaiting HOD's Approval	Awaiting TOPMANCO's adoption	Referred back for further refinement
1	Health and Productivity Management Policy	□		
2	Consequence Management Policy	□		
3	Debt and Revenue Management	□		
4	ICT Acceptable Use Guidelines and Behaviour Policy	□		
5	ICT Hardware Management Policy	□		
6	ICT Incident Management Policy	□		
7	Network Infrastructure	□		
8	ICT Systems Development and Maintenance	□		
9	Security Policy	□		
10	Immovable Asset Management Policy	□		
11	Contract Management Framework, Policy and Procedure Manual		□	
12	SCM Policy for Infrastructure Procedure and Delivery Management		□	

Pre- Audit

- Number of pre-audited documents at Head Office:

No.	Description	2019/20 Total Number	2020/21 Total Number
1	Pre-Audited Orders	3 695	1 836
2	Pre-Audited Payment	8 963	4 056
3	Irregular, Fruitless and Wasteful Expenditure Detected	296	87
4	Rejected documents with errors	825	340

Loss Control

A. Asset Losses

Office/ Region	Description	Number of Investigated Cases	Value	Status		
				Under investigation	Awaiting approval -HOD	Finalized
Head Office	Laptops	5	15 977,28	1	2	2
	Vehicle	4	95 232,91	2	1	1
Amatole Region	Laptop	2	3 664,68	0	1	1
	Vehicle	3	5 301,48	0	3	0
O.R. Tambo Region	Vehicle	7	11 814,36	0	2	5
	Laptops	1	0	1	0	0
Joe Gqabi	Laptop	1	22 714,43	0	0	1
	Vehicle	5	62 715,25	0	0	5
Sarah Baartman Region	Other	1	310 116,58	0	1	0
	Laptop	1	14 276,43	0	1	0
Alfred Nzo Region	Laptop	1	26 844,90	0	0	1
	Vehicle	9	175 445,47	2	1	6
	Other	1	7 660,00	0	0	1
Chris Hani Region	Vehicle	7	107 042,26	2	0	5
	Laptop	1	2 519,42	0	0	1
	Other	3	23 000,00	2	0	1
Total			**884 325,45**			

B. Irregular Expenditure

- Condonation received in the year under review R6 million
- Irregular expenditure condoned between June and July 2021 amounted to R 398 millionand was reported as an adjusting event after reporting date.
- Application for condonation made to Provincial Treasury R176 million after effecting consequence management

Application for Condonation Breakdown

Application	Amount
Roads - 2018/19 financial year	R146 million
Leases - 2020/21 financial year	R30 million
Total	**R176 million**

C. Fruitless and Wasteful expenditure

- Amounts resolved R 4,655,120 million within the year under review:

DESCRIPTION/ CLASSIFICATION	NUMBER OF CASES	AMOUNT
Written Off	1	4,648,690
Recoveries	8	5,456
Reversal	3	223,973
Total	**12**	**4,878,120**

- Amount transferred to receivables R 20,670

3.11 Internal Audit and Audit Committees

The objective of the internal audit activity of the Department of Public Works is to provide the Audit Committee and Senior Management with independent, objective assurance and consulting services that are designed to add value and to continuously improve the operations of the Department. The internal audit activity assists the department to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management and control processes.

The key activities of internal audit activity are to evaluate whether the department's system of governance, risk management and internal control, as designed by management, is adequate and functioning in a manner that ensures that:

- Risks are appropriately identified and managed;
- Interaction with the various governance groups occur as required;
- Significant financial, managerial, and operational information is accurate, reliable, and timely;
- Employee's actions are consistent with policies, standards, procedures, and applicable laws and regulations;
- Resources are acquired economically, used efficiently, and adequately protected;
- Programs, plans, and objectives are achieved;
- Quality and continuous improvement are fostered in the department's control process; and
- Significant legislative or regulatory issues impacting the department are recognized and addressed appropriately.

Interaction with the Audit Committee

The Audit Committee is responsible for the functional oversight over the provision of internal audit services by the internal audit activity.

The Audit Committee reviewed and approved the Internal Audit Charter, Internal Audit Methodology, and the Internal Audit three year rolling and annual operational and coverage plan for the 2020/21 financial year.
Periodical reports on the internal audit 's performance against the annual audit plan, results of work conducted, and other pertinent matters, were presented to the Audit Committee in terms of the agreed upon reporting intervals.

The Chief Audit Executive attended all meetings of the Audit Committee as a standing invitee and the Head of the Audit Committee Secretariat.

Implementation of the approved operational and annual internal audit coverage plans

The Internal Audit Annual Coverage Plan was comprehensively implemented and consulting work emanating from Senior Management and Audit Committee resolutions was also completed.

Summary of internal audit work done during 2020/21 financial year is as follows:

AUDIT PROJECTS COMPLETED PER PROGRAMME		
Programme	**Nature**	**Centres covered**
Buildings Infrastructure	Risk based audit and follow-up audit	Head Office, Alfred Nzo, Chris Hani, Joe Gqabi, and OR Tambo Regions
Financial Services	Risk based audit and follow-up audit	Head Office; Alfred Nzo, Chris Hani, OR Tambo, Sarah Baartman Regions
Immovable Assets Management; and Security Management	Risk based audit and follow-up audit	Head Office; Amathole, OR Tambo, and Sarah Baartman Regions

OTHER COMPLETED INTERNAL AUDIT PROJECTS	
Review of asset register	
• Review of the immovable assets register	
Performance Management Development System	
• Review of the 2020/21 draft performance contracts of Senior Management	• Employee levels 1 to 12 – All Regional Offices
Audit Improvement Plan	
• Review of implemented actions before submission of the draft annual financial statements for the 2019/20 financial year • Review of the Draft Audit Improvement Plan	• Review of the implemented Actions Audit Improvement Plan – 3rd Quarter • Review of the implemented Actions Audit Improvement Plan – 4th Quarter

Periodical Financial and Performance Reporting	
• Draft annual financial statements for the 2019/20 financial year • Review of interim financial statements before submission to Provincial Treasury - 2nd Quarter interim financial statements - 3rd Quarter interim financial statements	• Draft annual report for the 2019/20 financial year • Review of periodical performance reports before submission to the Department of Planning, Monitoring, and Evaluation - 2020/21 2nd Quarter Performance Report - 2020/21 3rd Quarter Performance Report
Information and Communications Technology	
• ICT Governance, Value for Money – ICT Projects, Cyber Security Arrangements, Application (internal systems) and System Change Controls	• Follow up of the implementation of the 2019/20 ICT audit improvement actions • Network Vulnerability Testing
Other	
• Governance and Enterprise Risk Management • Transfer payments and leave gratuities	• Conditional Grants – Expanded Public Works Incentive Grant • COVID-19 Interventions

Due to resource constraints (both human resource and financial) in the Department, and the inability of Provincial Treasury's Transversal Internal Audit Services Chief Directorate to procure training for the provincial internal audit practitioners, the planned formal training interventions were not provided.

Quality Assurance and Improvement Programme

The internal audit activity of the department has and maintains a quality assurance and improvement program, in line with the International Standards for the Professional Practice of Internal Auditing.

Provincial Treasury's Transversal Internal Audit Services performed an extensive periodic quality review during the 2019/20 financial year. The department obtained a "General Conformance" rating. The results of the review cited some shortcomings (inadequacies) in the practice of internal auditing by the department. An action plan to remedy those shortcomings was developed and tabled to the Audit Committee. Progress reports are shared with the committee on a quarterly basis.

The internal audit activity of the department was supposed to have undergone an external quality assurance review during the 2020/21 financial year. This review could not be conducted due to challenges experienced during the procurement of the external quality assurance reviewer.

We anticipate that the external quality assurance review will be conducted and finalised by the end of the third quarter of the 2021/22 financial year.

Secretariat services to the Audit Committee Membership and Attendance

The internal audit activity is responsible for providing secretariat services to the Audit Committee.

Minutes and resolutions lists of all Audit Committee meetings were drafted and provided by the internal audit activity for review and approval by the Audit Committee.

The table below discloses relevant information on the Audit Committee membership and attendance of Audit Committee meetings:

Name	Qualifications	Initially appointed	Appointment renewed	Appointment terminated	Meetings attended
Mr. S. Ngqwala (Chairperson)	Honours in Bachelor of Accounting Science.	October 2014	October 2017	Not applicable***	08 / 08
Mr. T. Boltman (Member)	Bachelor of Technology in Internal Auditing Certified Internal Auditor (CIA) Certified Government Auditing Professional (CGAP)	October 2014	October 2017	November 2020	07 / 07**
Ms. T. Cumming (Member)	Chartered Accountant Certificate in Theory of Accounting Bachelor of Commerce	October 2014	October 2017	November 2020	07 / 07**

Name	Qualifications	Initially appointed	Appointment renewed	Appointment terminated	Meetings attended
Mr. S. Dibate (Member)	Master of the Built Environment (MBE) Postgraduate Diploma in Property Development and Management B Tech degree in Quantity Surveying National Diploma in Buildings	February 2017	February 2020	Not applicable	08 / 08
Mr. D. Padayachy (Member) *	Information Technology Management for Government Executive Development Programme Post Graduate Diploma in Education Bachelor of Science	July 2019	Not applicable	Not applicable	08 / 08

*Also the Chairperson of the Information and Communications Technology Governance Committee
**The members' eligibility for DPWI Audit Committee service expired before the end of the financial year.
***The member's contract was extended beyond 31 March 2021 to 08 April 2021

Mr. C. Sparg attended the meetings of the Audit Committee in his capacity as the Chairperson of the Risk and Ethics Management Committee.

3.12 Audit Committee Report

We are pleased to present our report for the financial year ended 31 March 2021.

Adoption of Audit Committee terms of reference and execution of assigned responsibility

The Audit Committee of the Department of Public Works derives its mandate from section 38(1)(a)(ii) of the Public Finance Management Act (PFMA) and Treasury Regulations (TR) 3.1.13.

The objective of the Audit Committee is to assist the Accounting Officer and the Member of Executive Council in fulfilling their oversight responsibilities in respect of the following:

- Financial reporting process;
- The system of internal control;
- Internal and external auditing processes;
- The department's process of monitoring compliance with laws and regulations, and the code of conduct; and
- Information and communications technology governance arrangements.

In order to regulate its affairs, the Audit Committee adopted appropriate terms of reference, which are reviewed at least annually and approved by the MEC.

The Audit Committee confirms that it has satisfied its responsibilities and has exercised its oversight role regarding the following:

- Internal controls, and management of risks;
- Internal audit activity;
- Ethics Management and Fraud Prevention;
- Information and communications technology governance;
- Compliance with laws, regulation, and internal policies;
- In-year monitoring; and
- Auditor General of South Africa audit processes and the audit report.

Audit Committee appointments and terminations

The Audit Committee has five (5) external (non-executive) members.
There were no new appointments to the Audit Committee in the 2020/21 financial year.
There were two terminations of membership during the 2020/21 financial year. These terminations were effected as a result of the completion of six (6) consecutive years of Audit Committee service at the

Department and the need to allow the terminated members a cooling off period, thus managing the risk of familiarity.

The termination of the Chairperson, also for the same reason detailed above, occurred after the end of the financial year.

In May 2021, three (3) members were appointed by the Department. The details of the new members are as follows:

Name	Qualifications	Appointment date
Ms. P. Ntisana (Chairperson)	Chartered Accountant (SA)	May 2021
Mr. M. Mbambisa (Member)	Post Graduate Diploma in Business Management Executive Leadership Development Programme Certificate Programme in Management Development – Municipal Finance Bachelor of Science in Engineering	May 2021
Mr. O. Mhlwana (Member)	Chartered Accountant (SA) Honours: Bachelor of Accounting Science Bachelor of Accounting Science National Diploma : Internal Auditing	May 2021

Interaction with other stakeholders in governance and oversight

The Audit Committee ensured that an acceptable and productive relationship is maintained with stakeholders in governance and oversight.
Provincial Treasury, the Auditor General, the Chairperson of the Risk and Ethics Management Committee (REMC), the Head of the Department, and the Chief Audit Executive, or representatives of these stakeholders, are standing invitees of Audit Committee meetings.

Provincial Treasury's Transversal Internal Audit Services facilitated the formal evaluation of the functioning of the Audit Committee of the Department. The results of the evaluation indicated that, overall, the Audit Committee stakeholders were satisfied with the functioning of the committee during the period under review. Audit Committee meetings held during the year were preceded by the Risk and Ethic Management Committee and Information and Communication Technology Governance Committee meetings.

A closed meeting with the Member of Executive Council (MEC) was held during the year under review. At this meeting, the MEC was briefed by the Audit Committee on the operations of the Audit Committee and advised on certain matters of concern.
A closed meeting was also held with the Head of the Department and the Senior Manager in the Office of the Head of the Department.
A closed meeting was also held with Auditor General South Africa (AGSA) and the internal audit activity (represented by the Chief Audit Executive) during the year under review.

Effectiveness of internal control systems

Our review of the effectiveness of internal control systems through management reports, internal audit reports, and enterprise risk management reports indicates that while the system of internal controls of the department is improving, the system is not yet fully matured.
The Audit Committee made recommendations to management regarding further improvements of the system of internal controls. Management implemented a significant percentage, but not all, of the recommendations. This is attributable to the deficiencies in the organogram of the Department which has already been reviewed and is currently awaiting approval by the Department of Public Service and Administration.

The Department established an internal control unit to assist with the strengthening of the internal controls system. As this unit has not been adequately resourced, and as a result, not effective in fulfilling its intended purpose; the Department has considered several resourcing options, including co-sourcing some of the functions and possible future in-sourcing (which is dependent on the approval of the revised organogram by the Department of Public Service and Administration).

Enterprise Risk Management processes

During the year under review, the Audit Committee provided oversight on the development and review of Enterprise Risk Management (ERM) Policies, Strategies and Plans.
The Committee monitored operations of Enterprise Risk Management, reviewed the Departmental Strategic & Fraud Risk registers and continuously monitored the progress on the implementation of risk mitigation plans on a quarterly basis through Enterprise Risk Management reporting. This has been achieved through having Enterprise Risk as a standing agenda item in all Audit Committee meetings.

The Department has an independent Chairperson of the Risk and Ethics Management Committee (REMC) who attends all Audit Committee meetings which provide a positive impact on the functioning of the Audit Committee. The Audit Committee endorsed the approval of the Risk and Ethics Management Committee Charter which is reviewed annually. The Charter guided and assisted the Risk and Ethics Management Committee members in delivering their responsibility as they are listed. The Chairperson of the REMC recommended all the Enterprise Risk Management Policies which include Fraud Prevention Plan and Ethics Management framework policies.

The REMC monitored the risk management activities of the Department including reviewing the strategic risk register to ensure that the risks are aligned to the business objectives and that the implementation of the strategies to mitigate identified risks are effective. In addition, the REMC advised the Department regarding improvements that could be made to ensure the effective mitigation of risks. The Audit Committee monitored the work of the Risk and Ethics Committee through ensuring that the Risk and Ethics Management Committee was functioning and operating as per their terms of Reference. The Chairperson of the REMC attended all Audit Committee meetings with the purpose of sharing and providing assurance on matters relative to Risk and Ethics Management in the department.

The Audit Committee received reports from the Department regarding the identification of emerging risks. The Department assured the Audit Committee that the risks are managed adequately in order to ensure that they do not materialize to unacceptable risk exposure levels. Both the Audit Committee and Risk and Ethics Management Committees provided guidance and advised management on ways of ensuring improvement of the effectiveness of risk management and internal control processes in the department.

All Program and Senior Managers of the department have risk management as one of their key responsibility areas in their performance agreements. Thus, instilling a culture of risk management, improving the maturity of the department in the risk management process and managing risk in a structured approach. A detailed process used by the Department to drive effectiveness of the risk management in the department was tabled quarterly to the Audit Committee.

Provincial Treasury provided support and guided the Department on the implementation and effectiveness of Risk Management in the Department. The Department ERM staff attended continuous professional development trainings offered by the Institute of Risk Management South Africa (IRMSA) as part of Continued Professional Development (CPD).

As a result of the impact of the COVID-19 pandemic, the department has had to adopt and apply innovative methods/ways of implementing Enterprise Risk Management to ensure continuity. The Audit Committee recognised the efforts and improvements in the maturity of the management of risk and ethics by the department.

Management of Ethics and Conflict of Interest

During the year under review, the Department reviewed its Ethics Management Strategy and plan in line with ethics risk profile that was developed in the prior financial periods.

The Department was able to conduct 20 ethics and fraud awareness workshops to all departmental employees, which included a fraud awareness drive to all Departmental officials of all levels, which took place within the Head Office. The fraud awareness drive included door to door campaigns, where flyers and brochures and promotional material were distributed with anti-corruption and fraud prevention messages. Use of virtual messaging platforms to create awareness on fraud and corruption related issues, including the cyber fraud awareness risks such as phishing via all Departmental laptops and desktops as screensavers.

An independent review of the effectiveness of Department's ethics management was performed by the internal audit activity and no adverse findings were detected. This governance report was presented to the Audit Committee during the 2020/21 financial year and the Committee was satisfied with the outcomes.

Due to the COVID-19 pandemic, the planned independent Ethics Risk Assessment that was to be conducted during the 2020/21 financial year was deferred to the following financial year in terms of the Departmental plans. This was because the department needed to refocus its financial resources towards the effective response to the Covid-19 pandemic that required the Department to reprioritise their approved plans for the financial year in question.

All senior management, middle management, and other designated officials declared their financial interest on time. A review of the periodical reports that are provided by Provincial Treasury on employees trading with the state indicated that there have been no officials of the Department that have been identified as trading with the state during the financial year.
The Audit Committee commends the department on the work that has been put into the improvement of the management of ethics and conflict of interest.

Anti-fraud and corruption

During the year under review, the Audit Committee and the Risk and Ethics Management Committee (REMC) reviewed the Ethics & Anti-Corruption strategy, policy, and plan, gift policy, investigation policy and ethics & conflict of interest policy. The Audit Committee has fulfilled its role of overseeing the implementation of the fraud prevention strategy in the department during the year under review.

This was done through interrogation of fraud and corruption case reports submitted by the department and regular updates on progress during meetings of the Audit Committee. All the reports submitted to the Audit Committee emanating from recommendation of identified potential fraud were presented to the Audit Committee and were accepted fully. The Audit Committee also monitored the follow up on fraud indicators that were identified by Internal audit. These fraud Indicators were referred to ERM for further investigation. Progress was reviewed by the Audit Committee during the meetings.

Effectiveness of internal audit activity

The risk based internal audit annual coverage plan was comprehensively implemented (reference is made to the summary included in paragraph 3.11 above) and progress reports were presented to the Audit Committee. Internal control weaknesses and lapses, and recommendations for significant findings were discussed by the committee together with programme managers.

The internal audit activity implemented the audit plan, and conducted its audits in general conformance with the International Standards for the Professional Practice of Internal Auditors as required by the Institute of Internal Auditors.

The independence of the internal audit activity was maintained by the department and no interference was reported on, and / or observed by the Audit Committee.

All internal auditors of the Department are members of the Institute of Internal Auditors. Due to resource constraints (both human resource and financial) in the Department, and the inability of Provincial Treasury's Transversal Internal Audit Services Chief Directorate to procure training for the provincial internal audit practitioners, the planned formal training interventions were not provided.

Information and Communications Technology

Based on the approved ICT Strategy, an implementation plan was developed and submitted to the Audit Committee for review and subsequent monitoring. However, the initiatives that were identified had to be reprioritised as the challenges related to the emergence of the COVID-19 pandemic materialised.
The following projects were thus given priority:

1. Deployment and use of collaboration tools to conduct business. Within the shortest period, management and users were required to adapt to new ways of doing business. This necessitated prompt training for all critical users on utilisation of MS TEAMS to conduct their meetings.
2. As most employees had to work remotely, procurement of tools of trade (laptops and increase in data rations) became a high priority.

3. E-Government solutions like, e-leave, e-submission and e-recruitment were prioritised and as such the department is working closely with Office of the Premier and Provincial Treasury to ensure finalisation and proper utilisation of these solutions.

The COBIT 5 score for 2020 has improved significant to 2.83 (2019:1.75). The Audit Committee notes the significant improvement that is needed in Process AP003 (Manage Enterprise Architecture) and will be, during the 2021/22 financial year, monitoring the improvement plan that will be required of the ICT Directorate.
The Audit Committee notes that out of the four (4) planned ICT Governance Committee meetings for the 2020/21 financial year, only three (3) meetings were successfully held. The planned meeting for the third quarter did not convene due to the lack of a quorum.

The quality of in-year management and quarterly reports

The department reported financial and performance information quarterly to the Audit Committee. The department is still facing challenges in terms of not meeting performance targets in the core business programs. This matter was escalated to the executive authority of the department. This impacts negatively on the reputation of the department and its ability to deliver on its core business of being the custodian of immovable property and immovable asset planning and management in the province.
The Audit Committee reviewed the interim financial statements prepared by the Department through the internal audit activity. In some of the periods, the department experienced challenges on completeness and accuracy of financial information.

The Audit Improvement Plan

The Audit Committee reviewed the department's audit improvement plan to address matters raised in the previous year. The Committee is satisfied that management has addressed the majority of the actions on this plan. The Committee is, however, very concerned about the continued incurrence of irregular expenditure by the department (although this is at a lesser scale when compared with the prior financial periods).
The department has been able to isolate the programmes / activities that are the main contributors to irregular expenditure and has thus developed actions to curb the recurrence.

Evaluation of the draft annual financial statements and performance report

The evaluation of the draft annual financial statements and reporting on predetermined objectives entailed:
- Review and discussions of the draft annual financial statements to be included in the annual report with management;
- Review and discussions of the draft report on predetermined objectives to be included in the annual report with management;
- Review of any changes in accounting policies and practices;
- Review of the department's compliance with legal and regulatory provisions;
- Review of significant fluctuations compared to previous years and variances between the financial statements and budgeted amounts;
- Review of the internal audit activity's report on the review of the draft annual financial statements and the draft report on predetermined objectives;
- Enquiry of management in respect of the adequacy, reliability, and completeness of supporting information to the annual financial statements and the report on predetermined objectives.

Following its review of the draft annual financial statements (AFS) and the draft annual report on predetermined objectives (PDO) for the year ended 31 March 2021, the Audit Committee recommended that they be submitted to the Auditor General for auditing.

The Auditor General's audit report

The Auditor General completed the audit of the financial statements and the annual performance report of the department.

No unresolved matters were reported to the Audit Committee by neither the Auditor General nor the management of the department.

The Audit Committee welcomes the report of the Auditor General on the fair presentation of the annual financial statements and the annual performance report.

The Audit Committee concurs and accepts the results of the audit and the overall audit conclusion of the Auditor General on the annual financial statements and the annual performance report of the department for the year ended 31 March 2021. The Audit Committee is of the opinion that these reports should be accepted and read together with the report of the Auditor General.

Appreciation

The Audit Committee expresses its sincere appreciation to the Honourable MEC, the Head of the Department, Management, internal audit activity, Provincial Treasury and the AGSA for their co-operation in enabling the committee to fulfil its responsibilities.

Ms P Ntisana
Chairperson of the Audit Committee
31 August 2021

3.13 B-BBEE Compliance Performance Information

Has the Department/Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1-8) with regards to the following:		
Criteria	**Response Yes/No**	**Discussion** **Include a discussion on your response and indicate what measures have been taken to comply**
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	DPW is not mandated to issue licences, concessions or other authorisations in respect of economic activity in terms of any law.
Developing and implementing a preferential procurement policy?	Yes	DPW engaged services of an approved B-BBEE verification service provider to verify the B-BBEE status of the Department. DPW achieved **level 3 (2018/19)** overall BBBEE status after this verification exercise. In terms of this criteria 89.59% was achieved which related to: • B-BBEE Procurement Spend from all empowering suppliers based on the B-BBEE Procurement recognition level as a percentage of Total Measured Procurement Spend • B-BBEE Procurement Spend from all empowering suppliers that are Qualifying Small Enterprises based on the B-BBEE Procurement recognition level as a percentage of Total Measured Procurement Spend • B-BBEE Procurement Spend from all exempted micro-enterprises based on the applicable the B-BBEE Procurement recognition level as a percentage of Total Measured Procurement Spend • B-BBEE Procurement Spend from empowering suppliers that are 51% black owned based on the applicable B-BBEE Procurement recognition level as a percentage of Total Measured Procurement Spend • B-BBEE Procurement Spend from empowering suppliers that are 30% black women owned based on the applicable B-BBEE Procurement recognition level as a percentage of Total Measured Procurement Spend
Determining qualification criteria for the sale of state-owned enterprises?	No	DPW does not have any state-owned enterprise and did not sell any state-owned enterprise in the 2020/21 financial year.
Developing criteria for entering into partnerships with the private sector	N/A	N/A
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment	Yes	DPW was involved in employee skills development, supplier and enterprise development. In terms of this criteria 100% was achieved which was in the form of: • learnership programmes for black employees • training programmes for unemployed black people • Some black people were absorbed by the Department and the industry at the end of learnership and training programmes.

Part: D

4. PART D: HUMAN RESOURCE MANAGEMENT

4.1 Introduction

A. The status of human resources in the Department

Section 31 (1) of Public Service Regulations 2016 provides that The Head Of Department shall include in the annual report, referred to in section 40(1)(d) of Public Finance Management Act, such information pertaining to the public service as the Minister may direct and in the format that the Minister may direct (2) An Executive Authority shall immediately after he or she has tabled the annual report in the relevant legislation in terms of section 65 (1) of Public Finance Management Act, submit to the relevant Treasury and the Minister, make available on its website and on request, make it available free of charge to any member of the media or the public.

Section 195(1)(a),(h &i) of the Constitution of the Republic of South Africa, provides that Public administration must be governed by democratic values and principles enshrined in the Constitution including the following principles:

- High standard of professional ethics must be promoted and maintained
- Good human resource management and career development practices, to maximise human potential must be cultivated
- Public administration must be broadly representative of South African people, with employment and personnel management practices based on ability, objectivity, fairness, and the need to redress the imbalances of the past to achieve broad representation.

Chapter 13 of the National Development Plan 2030 requires specific areas that need to be addressed in order to build a capable and developmental state and these include:

- A clear separation of the roles between the political principals and the administrative Head
- Making the departments in the public service careers of choice by building skilled and professional public service from top to bottom.
- Reinvigorate the state role in producing the specialist technical skills to fulfil its core mandate
- To improve interdepartmental coordination in order to avoid duplication and wastage
- To strengthen delegation, authority and oversight
- Take a proactive approach in improving relations between National, Provincial and Local government

The Department of Public Works had therefore aligned its Human Resources strategies and approaches with the principles and provisions of the above-mentioned prescripts, and has successfully provided a strategic and enabling role to the core mandate of the department.

The year under review was marked by an outbreak of national pandemic (COVID-19) which led to the State President declaring the National Disaster starting from March, 27, 2020. This affected the operations of the government in general and the Department of Public Works in particular, due to the operational restrictions that adversely affected delivery of service within the departments. For almost the entire first quarter of 2020/21 performance year, there was almost a shut down on the delivery of services with only those services that were declared by the department as critical service that were performed under strict protocols.

B. Human resource priorities for the year under review and their impact

- Organisational development and HR planning
- Human Resource Practices and Administration
- Human Resource Capacity and Utilisation
- Employment Relations
- Employee Health and Wellness
- Enhancing Public Management Delegations

C. Workforce planning and key strategies to attract and recruit a skilled and capable workforce

- The Department has successfully overachieved the require target of HR Effectiveness for 2020/21, with a resounding average score of 87% from the 79% target since the previous financial year;
- DPW structure was signed off by MEC and sent through to DPSA for consultation and feedback was received towards the end of 3rd Quarter, with findings that needed to be addressed before DPSA can issue a concurrence letter;
- The Department achieved five (5) elements of Institutionalising Operations Management Framework, against seven (7) that were planned and this was due to outbreak of COVID-19, which constrained some of the operations;
- The Department continued to support the professional Development Programme that was started in 2019/2020 with 101 (cumulative from the previous year) candidate professionals in different fields in the built environment. There was a total of 15 candidates that qualified as professionals, adding to the 7 that qualified from the previous year;
- Successfully awarded 50 external bursaries in the built environment and property management disciplines for 2020 and total number of active external bursars went up to 133;
- Improving the recruitment turnaround plans in order to finalise recruitment within 6 months when the posts became vacant;
- Monitor the vacancy rate to remain less than 10% on all funded posts on the establishment.
- Attraction and Retention on critical staff
- Through these strategies, the Department has managed to attract and retain its professional and technical capacity from just over 40 professionals to seventy-seven (77) professionals in different disciplines in the built environment. The Department managed to optimally utilise its professional capacity during the refurbishment of health facilities. There were savings on professional services that were rendered by in-house teams.

Human Resource Development

The Department, through the HRD Directorate, implemented the development of Professional Development Strategy and the Strategy approval was granted by the Head of Department in June 2018. The purpose of this Professional Development Strategy is to provide a strategic skills development intervention to address the challenge of scarce skills in the built, property management and engineering environment disciplines and / or any other discipline identified as critical and scarce by the Eastern Cape Department of Public Works. This would be obtained by building labour capacity through the creation of a feeding pipeline aligned to Council for the Built Environment (CBE) Skills pipeline approach and by strengthening professionalism, while creating a skilled and knowledgeable society which is able to drive economic growth and development.

The Department managed to appoint 187 graduate interns. The graduate internship programme provides appropriate and relevant work experience which commensurate with the qualification of the intern, over a two-year contract.

D. Employee Performance Management

The employee performance management system was implemented in all levels and the Department achieved 100% contracting at SMS level and over 85% at non-SMS level. The Department also validated SMS performance contracts, in ensuring that they are in line or include the indicators both from Annual Performance Plan and Annual Operational Plans of the Department. Compliance to performance reviews and assessments was well monitored especially with Senior Management Services and with the non-SMS employees.

Annual assessments were concluded on time, with the incentives paid to the deserving employees at salary levels 2-12 by end of financial year, in line with DPSA set timelines. The ones for SMS members were only moderated, however, the payment of incentives could not be processed, due to the outbreak of second wave.

E. Employee Wellness Programmes

When President Ramaphosa declared the National State of Disaster on March, 15, 2020 and subsequent to that, the Departments of COGTA; DOEL; DOH and DPSA issued regulations and circulars; the

Department of Public Works, through the HOD, established a Steering Committee as informed by the prescribed regulations. This committee later on became the Occupational Health and Safety (OHS) Committee of the Department, mandated to ensure that the health and safety of employees is ensured throughout the pandemic and beyond.
The following is the statistical summary of how the Department was affected by the pandemic.

Infections													
Gender			Salary Level					Age					
Male	Female	Uncategorised	02-05	06-08	09-10	11-12	SMS	>54	55-59	+60		+60	
76	127	3	54	77	39	30	3					2	
Recoveries													
65	122	3	51	72	33	29	3	59	9			2	
Deaths													
11	4	1	3	5	6	1	0						

The following non-exhaustive list, are interventions that the Department embarked on in mitigating the spread of the virus:

- Appointment of the Compliance Officer/Chairperson of the OHS Committee to oversee the implementation of the regulations;
- OHS Meetings held to communicate new information and to discuss business continuity measures;
- Departmental Circulars No:1-6 of 2020 and 1 and 2 of 2021, were issued, based on the specific alert level and information that needed to be communicated at the time;
- Procurement of Personal Protective Equipment (PPE) and dissemination to employees.
- Provision of necessary support/counselling/self-care and general information on COVID-19 and to ease on challenges associated with the pandemic, e.g. anxiety, remote working challenges;
- Risk assessment conducted and risk register developed and submitted to Department of Employment and Labour;
- Training of Safety Representatives, General Assistants, Youth Brigade on COVID-19, Health Screening; Good House- keeping to ensure cleanliness etc.
- Return to Work (RTW) Preparedness Plans were also developed, consulted through the OHS Committee meetings, which were held provincially and at regional level; and shared with employees after being approved by the HOD;
- Database of COVID-19 infected and deceased employees- Annexure-A; Government Business Continuity Working Group (GBCW) reports and other reports were submitted to relevant structures;
- Various Guidelines related to management of COVID-19 developed and disseminated to employees;
- Appointment of Youth Brigade through EPWP, to ensure that the workplace is kept in a hygienic state by conducting intermittent cleaning of highly touched surfaces; health screening at entrances;
- Decontamination of workspaces when necessary.

F. Highlights on achievements and challenges faced

F.1. Achievements

- The Department successfully revised its organogram in line with the new 5-year strategy (2020-2024) and submitted it for validation by OTP and concurrence by DPSA;
- The Department successfully increased its technical and professional capacity to seventy-seven (77) professionals by the end of the reporting year and over 280 artisans;
- 100 candidate professionals, which are a product of bursaries awarded to financial needy, were translated into the Professional Development Programme. Furthermore, six (6) graduated as fully fledged professionals in different fields and three (3) were permanently appointed as indicated on the figures of professionals that were successfully attracted by the Department;
- The Department had an approved Annual Recruitment Plan of forty-five (45) posts and 64% was implemented successfully with posts mostly on the two core programmes. The 36% underachievement was due to a moratorium imposed on recruitment, due to COVID-19 protocols;
- Maintained the vacancy rate below 10% as required by DPSA threshold;
- Business processes mapping for recruitment, selection and appointment, bursary management, labour relations & wellness were developed and signed off;
- Finalisation of performance management and development system assessment and payment of rewards for 2019/20 performance year within the set budget for non SMS

- Continued to stabilise employer-employee relations through revision of memorandum of agreement between management and leadership of two recognised unions within the Department; and
- Immediate response and swift action during the outbreak of COVID-19 outbreak, by setting up the required steering committee, holding Occupational Health and Safety sessions to mitigate against risks identified, developing departmental guidelines for all staff.

F.2. Challenges

- The Department is still struggling to close the equity gap of women at SMS level recording 39% achievement during the period under review. There was just a slight increase on persons with disability from 1% to 1.2%.;
- There is still delays in finalising disciplinary hearings within 90 days as well as appeal lodged after dismissals; and
- The capacitation constraints as a results of not getting a submitted structure concurred by Department of Public Service and Administration;

HUMAN RESOURCES OVERSIGHT STATISTICS

4.2 Personnel Related Expenditure

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

TABLE 4.2.1. Personnel expenditure by programme for the period 1 April 2020 and 31 March 2021

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services expenditure (R'000)	Personnel expenditure as a percent of total expenditure	Average Employees Cost per Employee (R'000)	Employment (including Periodical and abnormal appointments)
Administration	486 602	357 856	0	0	73,50	430	833
Public works infrastructure	1 750 053	412 150	0	0	23,60	369	1 117
Expanded public works programme	131 300	88 150	0	0	67,10	75	1 179
Receipts Objective	0	0	0	0	0	0	0
Transport Infrastructure	0	0	0	0	0	0	0
Total	**2 367 955**	**858 156**	**0**	**0,00**	**36,20**	**274**	**3 129**

TABLE 4.2.2. Personnel costs by salary bands for the period 1 April 2020 and 31 March 2021

Salary Bands	Compensation of Employees Cost including Transfers (R'000)	Percentage of Total Personnel Cost for department	Average Compensation Cost per Employee (R)	Total Personnel Cost for department including Goods and Services (R'000)	Number of Employees
Lower skilled (Levels 1-2)	41 454	4,79	172 008	874 078	241
Skilled (Levels 3-5)	120 529	13,92	244 481	874 078	493
Highly skilled production (Levels 6-8)	275 094	31,77	409 366	874 078	672
Highly skilled supervision (Levels 9-12)	270 899	31,29	765 251	874 078	354
Senior and Top management (Levels 13-16)	46 070	5,32	1 212 368	874 078	38
Contract (Levels 3-5)	1812	0,21	201 333	874 078	9,00
Contract (Levels 6-8)	15 187	1,75	506 233	874 078	30
Contract (Levels 9-12)	49 114	5,67	629 667	874 078	78
Contract (Levels >=13)	3 271	0,38	1 635 500	874 078	2
Contract Other	8 734	1,01	88 222	874 078	99
Abnormal Appointment	33 643	3,89	31 530	874 078	1 067
Total	**865 807**	**100.00**	**276 704**	**874 078**	**3 129**

TABLE 4.2.3 Salaries, Overtime, Home Owners Allowance and Medical Assistance by programme for the period 1 April 2020 and 31 March 2021

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid		
	Amount (R'000)	Salaries as % of Personnel Costs	Amount (R'000)	Overtime as % of Personnel Costs	Amount (R'000)	HOA as % of Personnel Costs	Amount (R'000)	Medical aid as % of Personnel Costs	Total Personnel Cost per Programme (R'000)
Administration	253 896	70,15	541	0,15	10 774	2.98	19 775	5,46	361 939
Expanded public works programme	39 499	44,07	0	0	1 539	1,72	2 948	3,29	89 629
Public works infrastructure	291 655	69.03	0	0	15 647	3,70	19 310	4,57	422 511
Transport infrastructure									
Total	**585 050**	**66,93**	**541**	**0,15**	**27 960**	**3,20**	**42 033**	**4,81**	**874 078**

TABLE 4.2.4 Salaries, Overtime, Home Owners Allowance and Medical Assistance by salary band for the period 1 April 2020 and 31 March 2021

Salary bands	Salaries		Overtime		Home Owners Allowance		Medical Aid		Total Personnel Cost per Salary Band (R'000)
	Amount (R'000)	Salaries as % of Personnel Costs	Amount (R'000)	Overtime as % of Personnel Costs	Amount (R'000)	HOA as % of Personnel Costs	Amount (R'000)	Medical aid as % of Personnel Costs	
Lower skilled (Levels 1-2)	23 433	56,49	5	0.01	4 149	10.00	5 083	12,25	41 479
Skilled (Levels 3-5)	73 393	60,83	178	0,15	8 302	6,88	9 807	8,13	120 644
Highly skilled production (Levels 6-8)	177 274	64,03	165	0,06	11 187	4.04	18 420	6,65	276 844
Highly skilled supervision (Levels 9-12)	187 747	68,12	132,00	0.05	3 984	1,45	8 203	2.98	275 622
Senior management (Levels 13-16)	33 473	70.98	0	0	338	0,72	520	1,10	47 103
Contract (Levels 3-5)	1 480	81,50	0	0	0	0	0	0	1 816
Contract (Levels 6-8)	12 133	79,22	50	0,33	0	0	0	0	15 315
Contract (Levels 9-12)	39 875	80,50	11	0.02	0	0	0	0	49 535
Contract (Levels >=13)	2 446	73,32	0	0	0	0	0	0	3 336
Contract Other	6 623	75,77	0	0	0	0	0	0	8 741
Abnormal Appointment	27 213	80,89	0	0	0	0	0	0	33 644
Total	**585 090**	**66,93**	**541**	**0,06**	**27 960**	**3,20**	**42 033**	**4,81**	**874 078**

4.3 Employment and vacancies

TABLE 4.3.1. – Employment and vacancies by programme as on 31 March 2021

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Administration, Permanent	889	826	7,10	203
Public works infrastructure, Permanent	1 183	1 116	5,70	249
Expanded public works programme, Permanent	148	120	18,90	13
Total	**2 220**	**2 062**	**7.10**	**465**

TABLE 4.3.2 Employment and vacancies by salary band as on 31 March 2021

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Lower skilled (Levels 1-2), Permanent	307	241,	21,50	44
Skilled (Levels 3-5), Permanent	519	493	5	65
Highly skilled production (Levels 6-8), Permanent	700	672	4	66
Highly skilled supervision (Levels 9-12), Permanent	382	354	7,30	31
Senior management (Levels 13-16), Permanent	48	38	20,80	4
Other, Permanent	145	145	0	143
Contract (Levels 1-2), Permanent	0	0	0	0
Contract (Levels 3-5), Permanent	9	9	0	8
Contract (Levels 6-8), Permanent	30	30	0	28
Contract (Levels 9-12), Permanent	78	78	0	76
Contract (Levels 13-16), Permanent	2	2	0	0
Total	**2 220**	**2 062**	**7,10**	**465**

TABLE 4.3.3 – Employment and vacancies by critical occupations as on 31 March 2021

Critical Occupations	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative related, Permanent	266	248	6,80	94,00
Agriculture animal oceanography Forestry & other science, Permanent	1	1	0	1
Agriculture related, Permanent	2	2	0	2
All artisans in the building metal machinery etc., Permanent	320	300	6,30	30
Appraisers-valuers and related professionals, Permanent	40	34	15	4
Architects town and traffic planners, Permanent	21	21	0	11
Artisan project and related superintendents, Permanent	27	21	22,20	3
Auxiliary and related workers, Permanent	1	1	0	0

Critical Occupations	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Boiler and related operators, Permanent	0	0	0	0
Building and other property caretakers, Permanent	11	11	0	9
Bus and heavy vehicle drivers, Permanent	18	17	5,60	5
Cartographers and surveyors, Permanent	0	0	0	0
Cartographic surveying and related technicians, Permanent	2	2	0	1
Chartered accountants, Permanent	0	0	0	0
Cleaners in offices workshops hospitals etc., Permanent	163	160	1,80	45
Client inform clerks (switch, receipt inform clerks), Permanent	4	4	0	0
Communication and information related, Permanent	16	16	0	3
Community development workers, Permanent	0	0	0	0
Computer programmers., Permanent	1	1	0	0
Earth moving and related plant operators, Permanent	0	0	0	0
Engineering sciences related, Permanent	99	97	2	60
Engineers and related professionals, Permanent	23	20	13	7
Finance and economics related, Permanent	20	18	10	7
Financial and related professionals, Permanent	60	60	0	7
Financial clerks and credit controllers, Permanent	107	104	2,80	11
Firefighting and related workers, Permanent	3	3	0	0
Head of Department/chief executive officer, Permanent	1	1	0	0
Health sciences related, Permanent	1	1	0	0
Housekeepers laundry and related workers, Permanent	2	2	0	0
Human resources & organisational development & relate prof, Permanent	57	55	3,50	1
Human resources clerks, Permanent	47	46	2,10	2
Human resources related, Permanent	50	47	6	4
Information technology related, Permanent	3	3	0	0
Inspectors of apprentices works and vehicles, Permanent	72	69	4,20	7
Language practitioners interpreters & other community, Permanent	0	0	0	0
Legal related, Permanent	3	3	0	0
Library mail and related clerks, Permanent	27	25	7,40	2
Light vehicle drivers, Permanent	11	10	9,10	1
Logistical support personnel, Permanent	133	123	7,50	13
Material-recording and transport clerks, Permanent	3	3	0	0
Messengers porters and deliverers, Permanent	5	5	0	3
Motor vehicle drivers, Permanent	9	9	0	3
Nature conservation and oceanographical related technicians Permanent	1	1	0	1
Other administration & related clerks and organisers, Permanent	85	63	25,90	22
Other administrative policy and related officers, Permanent	26	26	0	4
Other information technology personnel., Permanent	15	14	6,70	0
Other occupations, Permanent	1	1	0	0
Printing management and supervisory personnel, Permanent	5	5	0	0
Production advisers : factories, Permanent	113	109	3,50	18
Quantity surveyors & related professions	40	38	5	16

Critical Occupations	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
not class elsewhere, Permanent				
Regulatory inspectors, Permanent	0	0	0	0
Risk management and security services, Permanent	16	16	0	3
Road superintendents, Permanent	0	0	0	0
Road trade workers., Permanent	0	0	0	0
Road workers, Permanent	7	7	0	0
Safety health and quality inspectors, Permanent	3	3	0	0
Secretaries & other keyboard operating clerks, Permanent	38	35	7,90	3
Security guards, Permanent	7	7	0	0
Security officers, Permanent	110	106	3,60	12
Senior managers, Permanent	48	38	20,80	4
Trade labourers, Permanent	57	42	26,30	40
Trade quality controllers, Permanent	1	1	0	1
Trade related, Permanent	13	2	84,60	2
Trade/Industry advisers & other related profession, Permanent	3	3	3	3
Water plant and related operators, Permanent	1	1	0	0
Total	**2 220**	**2 062**	**7,10**	**465**

4.4 Filling of SMS Posts

TABLE 4.4.1 SMS post information as on 31 March 2021

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
13	**39**	**34**	**87.2%**	**5**	**12.8%**
14	7	6	85.7%	1	14.3%
16	2	2	100%	0	0%

TABLE 4.4.2 SMS post information as on 30 September 2020

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
13	39	35	89.7	4	10.3%
14	7	6	85.7	1	14.3%
16	2	2	100%	0	0%

TABLE 4.4.3 Advertising and filling of SMS posts for the period 1 April 2020 and 31 March 2021

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6months of becoming vacant	Number of vacancies per level not filled in 6 months but in 12 months
Director-general/ Head of Department	**0**	**0**	**0**
Salary level 16	**0**	**0**	**0**
Salary level 15	0	0	0
Salary Level 14	1	0	1
Salary Level 13	4	0	4

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6months of becoming vacant	Number of vacancies per level not filled in 6 months but in 12 months
Total	**5**	**0**	**5**

Table 4.4.4 Reasons for not having complied with the filling of funded vacant SMS- Advertised within twelve months and filled within 12 months after becoming vacant for the period 1 April 2020 and 31 March 2021

Reasons for vacancies not advertised within six months
There was an imposed departmental moratorium on filling of posts pending the envisaged approval and implementation of the revised organisational structure

Reasons for vacancies not filled within twelve months
Recruitment for the three (3) candidates that were successful were finalised in February 2021 and the successful candidates served noticed during March 2021.

Table 4.4.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2020 and 31 March 20201

Reasons for vacancies not advertised within six months
N/A

Reasons for vacancies not advertised within six months
There was an imposed departmental moratorium on filling of posts pending the envisaged approval and implementation of the revised organisational structure

4.5 Job evaluation

TABLE 4.5.1 Job Evaluation by Salary band for the period 1 April 2020 and 31 March 2021

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (Levels 1-2)	307	0	0	11	100	0	0
Contract (Levels 1-2),Other	145	0	0	0	0	0	0
Contract (Levels 3-5)	9	0	0	0	0	0	0
Contract (Levels 6-8)	30	0	0	0	0	0	0
Contract (Levels 9-12)	78	0	0	0	0	0	0
Contract (Band A)	1	0	0	0	0	0	0
Contract (Band D)	1	0	0	0	0	0	0
Skilled (Levels 3-5)	519	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	700	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	382	0	0	0	0	0	0
Senior Management Service B and A	38	0	0	0	0	0	0
Senior Management Service B and B	9	0	0	0	0	0	0
Senior Management Service B and C	0	0	0	0	0	0	0
Senior Management Service B and D	1	0	0	0	0	0	0
Total	**2 220**	0	0	**11**	**100**	**0**	**0**

TABLE 4.5.2 – Profile of employees whose salary positions were upgraded due to their posts being upgraded for the period 1 April 2020 and 31 March 2021

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**
Employees with a Disability	0	0	0	0	0

TABLE 4.5.3 – Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2020 and 31 March 2021

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
0	0	0	0	0
0	0	0	0	0
Total	**0**	**0**	**0**	**0**
Total number of employees whose salaries exceeded the level determined by job evaluation				0
Percentage of total employed				0

TABLE 4.5.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2020 and 31 March 2021

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

4.6 Employment changes

Table 4.6.1 – Annual turnover rates by salary band for the period 1 April 2020 and 31 March 2021

Salary Band	Number of Employees at Beginning of period April 2020	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover Rate
Lower skilled (Levels 1-2), Permanent	249	0	4	1,60
Skilled (Levels 3-5), Permanent	518	2	24	4,60
Highly skilled production (Levels 6-8), Permanent	691	6	26	3,80
Highly skilled supervision (Levels 9-12), Permanent	371	3	20	5,40
Senior Management Service Band A, Permanent	32	0	1	3,10
Senior Management Service Band B, Permanent	6	0	0	0
Senior Management Service Band C, Permanent	0	0	0	0
Senior Management Service Band D, Permanent	1	0	0	0
Contract (Levels 1-2), Permanent	271	131	257	94,80
Contract (Levels 3-5), Permanent	9	1	1	11,10
Contract (Levels 6-8), Permanent	53	0	23	43,40
Contract (Levels 9-12), Permanent	85	1	8	9,40
Contract (Band A), Permanent	1	0	0	0
Contract (Band C), Permanent	0	0	0	0
Contract (Band D), Permanent	1	0	0	0
Total	**2 288**	**144**	**364**	**15,90**

Note the high turnover rate is due to those employees that are in development programmes who at the end of their training they are terminated.

TABLE 4.6.2 – Annual turnover rates by critical occupation for the period 1 April 2020 and 31 March 2021

Critical Occupation	Number of employees at beginning of period April 2020	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover Rate
Administrative related, Permanent	222	80	64	28,80
Agriculture, animal oceanography forestry & other science, Permanent	1	0	0	0
Agriculture related, Permanent	2	0	0	0
All artisans in the building metal machinery etc., Permanent	313	1	14	4,50
Appraisers-valuers and related professionals, Permanent	36	1	3	8,30
Architects town and traffic planners, Permanent	22	0	1	4,50
Artisan project and related superintendents, Permanent	24	0	0	0
Auxiliary and related workers, Permanent	1	0	0	0
Boiler and related operators, Permanent	0	0	0	0
Building and other property caretakers, Permanent	12	0	1	8,30
Bus and heavy vehicle drivers, Permanent	18	0	1	5,60
Cartographers and surveyors, Permanent	0	0	0	0
Cartographic surveying and related technicians, Permanent	2	0	0	0
Chartered accountants, Permanent	0	0	0	0
Chemical and physical science technicians, Permanent	0	0	0	0
Civil engineering technicians, Permanent	0	0	0	0
Cleaners in offices workshops hospitals etc., Permanent	163	1	4	2,50
Client inform clerks (switch board reception information clerks), Permanent	4	0	0	0
Communication and information related, Permanent	16	0	0	0
Community development workers, Permanent	0	0	0	0
Computer programmers., Permanent	1	0	0	0
Earth moving and related plant operators, Permanent	0	0	0	0
Electrical and electronics engineering technicians, Permanent	0	0	0	0
Engineering sciences related, Permanent	101	0	4	4
Engineers and related professionals, Permanent	20	1	1	5
Finance and economics related, Permanent	19	0	1	5,30
Financial and related professionals, Permanent	69	0	9	13
Financial clerks and credit controllers, Permanent	105	1	2	1,90
Firefighting and related workers, Permanent	3	0	0	0
General Legal administration & rel. professionals, Permanent	1	0	0	0
Head of Department/chief executive officer, Permanent	1	0	0	0
Health sciences related, Permanent	1	0	0	0
Housekeepers laundry and related workers, Permanent	2	0	0	0
Human resources & organisation development & relate prof, Permanent	59	0	3	5,10

Critical Occupation	Number of employees at beginning of period April 2020	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover Rate
Human resources clerks, Permanent	48	0	2	4,20
Human resources related, Permanent	50	1	4	4,20
Information technology related, Permanent	4	0	1	25
Inspectors of apprentices works and vehicles, Permanent	70	0	1	1,40
Language practitioners interpreters & other communicate, Permanent	0	0	0	0
Legal related, Permanent	3	0	0	0
Library mail and related clerks, Permanent	25	0	0	0
Light vehicle drivers, Permanent	11	0	0	0
Logistical support personnel, Permanent	139	0	15	10,80
Material-recording and transport clerks, Permanent	4	0	2	50
Mechanical engineering technicians, Permanent	0	0	0	0
Messengers porters and deliverers, Permanent	7	0	2	28,60
Mining geology & geophysical & related technicians, Permanent	0	0	0	0
Motor vehicle drivers, Permanent	10	0	1	10
Nature conservation and oceanographical related technicians, Permanent	1	0	0	0
Other administration & related clerks and organisers, Permanent	152	28	107	70,40
Other administrative policy and related officers, Permanent	28	0	1	3,60
Other information technology personnel., Permanent	15	0	1	6,70
Other occupations, Permanent	1	0	0	0
Printing management and supervisory personnel, Permanent	5	0	0	0
Production advisers : factories, Permanent	121	1	13	10,70
Quantity surveyors & related professions not class elsewhere, Permanent	39	1	2	5,10
Regulatory inspectors, Permanent	0	0	0	0
Risk management and security services, Permanent	16	0	0	0
Road superintendents, Permanent	0	0	0	0
Road trade workers., Permanent	0	0	0	0
Road workers, Permanent	7	0	0	0
Safety health and quality inspectors, Permanent	3	0	0	0
Secretaries & other keyboard operating clerks, Permanent	36	0	1	2,80
Security guards, Permanent	8	0	1	12,50
Security officers, Permanent	111	0	5	4,50
Senior managers, Permanent	39	0	1	2,60
Trade labourers, Permanent	110	28	96	87,30
Trade quality controllers, Permanent	1	0	0	0
Trade related, Permanent	2	0	0	0
Trade/Industry advisers & other related profession, Permanent	3	0	0	0
Water plant and related operators, Permanent	1	0	0	0
Total	**2 288**	**144**	**364**	**15,90**

Table 4.6.3 – Reasons why staff left the department for the period 1 April 2020 and 31 March 2021

Termination Type	Number	% of total resignation
Death, Permanent	29	8
Resignation, Permanent	29	8
Expiry of contract, Permanent	280	76,90
Discharged due to ill health, Permanent	1	0,30
Dismissal-misconduct, Permanent	2	0,50
Retirement, Permanent	23	6,30
Transfer to other Public Service Departments	0	0
Other	0	0
Total	**364**	**100**
Total number of employees who left as a % of total employment	15.90	

Table 4.6.4 Promotions by critical occupation for the period 1 April 2020 and 31 March 2021

Occupation	Employees as at 1 April 2020	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
Administrative related	222	0	0	68	30,60
Agriculture animal oceanography forestry & other science, Permanent	1	0	0	0	0
Agriculture related, Permanent	2	0	0	0	0
All artisans in the building metal machinery etc.	313	2	0,60	234	74,80
Appraisers-valuers and related professionals	36	0	0	19	52,80
Architects town and traffic planners	22	0	0	5	22,70
Artisan project and related superintendents	24	0	0	17	70,80
Auxiliary and related workers	1	0	0	1	100
Boiler and related operators	0	0	0	0	0
Building and other property caretakers	12	0	0	12	100
Bus and heavy vehicle drivers	18	0	0	12	66,70
Cartographers and surveyors	0	0	0	0	0
Cartographic surveying and related technicians	2	0	0	2	100
Chartered accountants	0	0	0	0	0
Chemical and physical science technicians	0	0	0	0	0
Civil engineering technicians	0	0	0	0	0
Cleaners in offices workshops hospitals etc.	163	0	0	57	35
Client information clerks (switch board reception information clerks)	4	0	0	1	25
Communication and information related	16	0	0	8	50
Community development workers	0	0	0	0	0
Computer programmers.	1	0	0	0	0
Earth moving and related plant operators	0	0	0	0	0
Electrical and electronics engineering technicians	0	0	0	0	0
Engineering sciences related	100	0	0	16	15,80

Occupation	Employees as at 1 April 2020	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
Engineers and related professionals	20	0	0	7	35
Finance and economics related	19	0	0	11	57,90
Financial and related professionals	69	0	0	45	65,20
Financial clerks and credit controllers	105	0	0	86	81,90
Firefighting and related workers	3	0	0	1	33,30
General Legal administration & related professionals, Permanent	1	0	0	1	100
Head of department/chief executive officer	1	0	0	0	0
Health sciences related	1	0	0	1	100
Housekeepers laundry and related workers	2	0	0	2	100
Human resources & organisation development & relate professionals	59	0	0	38	64,40
Human resources clerks	48	0	0	25	52,10
Human resources related	50	0	0	30	60
Information technology related	4	0	0	2	50
Inspectors of apprentices works and vehicles	70,00	0	0	36,00	51,40
Language practitioners interpreters & other communication	0	0	0	0	0
Legal related	3	0	0	1	33,30
Library mail and related clerks	25	0	0	14	56
Light vehicle drivers	11	0	0	4	36,40
Logistical support personnel	139	0	0	78	56,10
Material-recording and transport clerks	4	0	0	3	75
Mechanical engineering technicians	0	0	0	0	0
Messengers porters and deliverers	7	0	0	6	85,70
Mining geology & geophysical & related technicians	0	0	0	0	0
Motor vehicle drivers	10	0	0	7	70
Nature conversation oceanographical related technicians	1	0	0	0	0
Other administration & related clerks and organisers	152	1	0,70	14	9,20
Other administrative policy and related officers	28	0	0	14	50
Other information technology personnel	15	0	0	10	66,70
Other occupations	1	0	0	0	0
Printing management and supervisory personnel	5	0	0	0	0
Production advisers : factories	121	0	0	62	51,20
Quantity surveyors & related professional not classified elsewhere	39	0	0	14	35,90

Occupation	Employees as at 1 April 2020	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
Regulatory inspectors	0	0	0	0	0
Risk management and security services	16	0	0	15	93,80
Road superintendents	0	0	0	0	0
Road trade workers	0	0	0	0	0
Road workers	7	0	0	6	85,70
Safety health and quality inspectors	3	0	0	2	66,70
Secretaries & other keyboard operating clerks	36	0	0	28	77,80
Security guards	8	0	0	7	87,50
Security officers	111	0	0	79	71,20
Senior managers	39	0	0	0	0
Trade labourers	110	0	0	1	0,90
Trade quality controllers	1	0	0	0	0
Trade related	2	0	0	2	100
Trade/Industry advisers & other related profession	3	0	0	0	0
Water plant and related operators	1	0	0	0	0
Total	**2 288**	**3**	**0,10**	**1 104**	**48,30**
Administrative related	222	0	0	68	30,60
Agriculture animal oceanography forestry & other science, Permanent	1	0	0	0	0
Agriculture related, Permanent	2	0	0	0	0
All artisans in the building metal machinery etc.	313	2	0,60	234	74,80
Appraisers-valuers and related professionals	36	0	0	19	52,80
Architects town and traffic planners	22	0	0	5	22,70
Artisan project and related superintendents	24	0	0	17	70,80
Auxiliary and related workers	1	0	0	1	100
Boiler and related operators	0	0	0	0	0
Building and other property caretakers	12	0	0	12	100
Bus and heavy vehicle drivers	18	0	0	12	66,70
Cartographers and surveyors	0	0	0	0	0
Cartographic surveying and related technicians	2	0	0	2	100
Chartered accountants	0	0	0	0	0
Chemical and physical science technicians	0	0	0	0	0
Civil engineering technicians	0	0	0	0	0
Cleaners in offices workshops hospitals etc.	163	0	0	57	35
Client information clerks (switch board reception information clerks)	4	0	0	1	25
Communication and information related	16	0	0	8	50
Community development workers	0	0	0	0	0
Computer programmers.	1	0	0	0	0
Earth moving and related plant operators	0	0	0	0	0

Occupation	Employees as at 1 April 2020	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
Electrical and electronics engineering technicians	0	0	0	0	0
Engineering sciences related	100	0	0	16	15,80
Engineers and related professionals	20	0	0	7	35
Finance and economics related	19	0	0	11	57,90
Financial and related professionals	69	0	0	45	65,20
Financial clerks and credit controllers	105	0	0	86	81,90
Firefighting and related workers	3	0	0	1	33,30
General Legal administration & related professionals, Permanent	1	0	0	1	100
Head of department/chief executive officer	1	0	0	0	0
Health sciences related	1	0	0	1	100
Housekeepers laundry and related workers	2	0	0	2	100
Human resources & organisation development & relate professionals	59	0	0	38	64,40
Human resources clerks	48	0	0	25	52,10
Human resources related	50	0	0	30	60
Information technology related	4	0	0	2	50
Inspectors of apprentices works and vehicles	70,00	0	0	36,00	51,40
Language practitioners interpreters & other communication	0	0	0	0	0
Legal related	3	0	0	1	33,30
Library mail and related clerks	25	0	0	14	56
Light vehicle drivers	11	0	0	4	36,40
Logistical support personnel	139	0	0	78	56,10
Material-recording and transport clerks	4	0	0	3	75
Mechanical engineering technicians	0	0	0	0	0
Messengers porters and deliverers	7	0	0	6	85,70
Mining geology & geophysical & related technicians	0	0	0	0	0
Motor vehicle drivers	10	0	0	7	70
Nature conversation oceanographical related technicians	1	0	0	0	0
Other administration & related clerks and organisers	152	1	0,70	14	9,20
Other administrative policy and related officers	28	0	0	14	50
Other information technology personnel	15	0	0	10	66,70
Other occupations	1	0	0	0	0
Printing management and supervisory personnel	5	0	0	0	0
Production advisers : factories	121	0	0	62	51,20

Occupation	Employees as at 1 April 2020	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
Quantity surveyors & related professional not classified elsewhere	39	0	0	14	35,90
Regulatory inspectors	0	0	0	0	0
Risk management and security services	16	0	0	15	93,80
Road superintendents	0	0	0	0	0
Road trade workers	0	0	0	0	0
Road workers	7	0	0	6	85,70
Safety health and quality inspectors	3	0	0	2	66,70
Secretaries & other keyboard operating clerks	36	0	0	28	77,80
Security guards	8	0	0	7	87,50
Security officers	111	0	0	79	71,20
Senior managers	39	0	0	0	0
Trade labourers	110	0	0	1	0,90
Trade quality controllers	1	0	0	0	0
Trade related	2	0	0	2	100
Trade/Industry advisers & other related profession	3	0	0	0	0
Water plant and related operators	1	0	0	0	0
Total	**2 288**	**3**	**0,10**	**1 104**	**48,30**

Table 4.6.5 – Promotions by salary band for the period 1 April 2020 and 31 March 2021

Salary Band	Employees 1 April 2020	Promotions to another Salary Level	Salary Level 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), Permanent	249	0	0	138	55,40
Skilled (Levels 3-5), Permanent	518	0	0	301	58,10
Highly skilled production (Levels 6-8), Permanent	691	2	0,30	457	66,10
Highly skilled supervision (Levels 9-12), Permanent	371	1	0,30	208	56,10
Senior management (Levels 13-16), Permanent	39	0	0	0	0
Contract (Levels 1-2), Permanent	271	0	0	0	0
Contract (Levels 3-5), Permanent	9	0	0	0	0
Contract (Levels 6-8), Permanent	53	0	0	0	0
Contract (Levels 9-12), Permanent	85	0	0	0	0
Contract (Levels 13-16), Permanent	2	0	0	0	0
Total	**2 288**	**3**	**0,10**	**1 104**	**48,30**

4.7 Employment Equity

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

Table 4.7.1 – Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2021

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Legislators, senior officials and managers, Permanent	20	2	1	23	0	0	0	0	0	0	0
Professionals, Permanent	179	7	1	187	9	194	4	2	200	5	401
Technicians and associate professionals, Permanent	139	3	1	143	3	244	4	0	248	4	398
Clerks, Permanent	82	2	0	84	1	183	3	1	187	2	274
Service and sales workers, Permanent	78	2	0	80	2	52	0	0	52	0	134
Craft and related trades workers, Permanent	391	6	0	397	6	104	0	0	104	0	507
Plant and machine operators and assemblers, Permanent	33	1	0	34	1	2	0	0	2	0	37
Elementary occupations, Permanent	0	0	0	0	0	0	0	0	0	0	0
Labourers and related workers	90	0	0	90	0	133	2	0	135	0	225
Unknown	22	0	0	22	0	24	0	0	24	0	46
Total	1 034	23	3	1 060	24	951	13	3	967	11	2 062
Employees with disabilities	15	0	0	15	1	9	0	0	9	0	25

Table 4.7.2 – Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2021

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Top Management, Permanent	1	0	0	0	0	0	0	0	0	0	0
Senior Management, Permanent	17	2	1	20	2	15	0	0	15	0	37
Professionally qualified and experienced specialists and mid-management, Permanent	184	12	2	198	12	135	1	2	138	6	354
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	303	7	0	310	6	343	7	1	351	5	672
Semi-skilled and discretionary decision making, Permanent	303	2	0	305	3	183	2	0	185	0	493
Unskilled and defined decision making, Permanent	110	0	0	110	0	130	1	0	131	0	241
Not Available, Permanent	66	0	0	66	0	77	2	0	79	0	145
Contract (Top Management), Permanent	1	0	0	1	0	0	0	0	0	0	1
Contract (Senior Management), Permanent	1	0	0	1	0	0	0	0	0	0	1
Contract (Professionally qualified), Permanent	31	0	0	31	1	46	0	0	46	0	78
Contract (Skilled technical), Permanent	16	0	0	16	0	14	0	0	14	0	30
Contract (Semi-skilled), Permanent	1	0	0	1	0	8	0	0	8	0	9
Contract (Unskilled), Permanent	0	0	0	0	0	0	0	0	0	0	0

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Total	**1 034**	**23**	**3**	**1 060**	**24**	**951**	**13**	**3**	**967**	**11**	**2 062**

Table 4.7.3 – Recruitment for the period 1 April 2020 and 31 March 2021

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Senior Management, Permanent	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management, Permanent	2	0	0	2	0	1	0	0	1	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	4	0	0	4	0	2	0	0	2	0	6
Semi-skilled and discretionary decision making, Permanent	1	0	0	1	0	1	0	0	1	0	2
Not Available, Permanent	60	0	0	60	0	69	2	0	71	0	131
Unskilled and defined decision making, Permanent	0	0	0	0	0	0	0	0	0	0	0
Contract (Senior Management), Permanent	0	0	0	0	0	0	0	0	0	0	0
Contract (Professionally qualified), Permanent	0	0	0	0	0	0	0	0	0	0	0
Contract (Skilled technical), Permanent	0	0	0	0	0	0	0	0	0	0	0
Contract (Unskilled), Permanent	0	0	0	0	0	0	0	0	0	0	0
Total	**67**	**0**	**0**	**67**	**0**	**75**	**2**	**0**	**77**	**0**	**144**
Employees with disabilities	**1**	**0**	**0**	**1**	**0**	**2**	**0**	**0**	**2**	**0**	**3**

Table 4.7.4 Promotions for the period 1 April 2020 to 31 March 2021

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Top Management, Permanent	0	0	0	0	0	0	0	0	0	0	0
Senior Management, Permanent	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management, Permanent	113	7	2	122	9	73	0	0	73	5	209
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	187	3	0	190	2	258	5	1	264	3	459
Semi-skilled and discretionary decision making, Permanent	213	1	0	214	2	85	0	0	85	0	301
Unskilled and defined decision making, Permanent	63	0	0	63	0	74	1	0	75	0	138
Contract (Professionally qualified), Permanent	0	0	0	0	0	0	0	0	0	0	0
Contract (Skilled technical), Permanent	0	0	0	0	0	0	0	0	0	0	0
Contract (Semi-skilled), Permanent	0	0	0	0	0	0	0	0	0	0	0
Contract (Unskilled), Permanent	0	0	0	0	0	0	0	0	0	0	0
Total	**576**	**11**	**2**	**589**	**13**	**490**	**6**	**1**	**497**	**8**	**1 107**
Employees with disabilities	0	0	0	0	0	0	0	0	0	0	0

Table 4.7.5 – Terminations for the period 1 April 2020 to 31 March 2021

Occupational Bands	Male					Female					Total
						Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	
Senior Management, Permanent	0	0	0	0	0	1	0	0	1	0	1
Professionally qualified and experienced specialists and mid-management, Permanent	10	1	0	11	1	7	0	0	7	1	20
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	18	0	0	18	0	8	0	0	8	0	26
Semi-skilled and discretionary decision making, Permanent	20	0	0	20	0	4	0	0	4	0	24 003
Unskilled and defined decision making, Permanent	3	0	0	3	0	1	0	0	1	0	4
Contract (Top Management), Permanent	0	0	0	0	0	0	0	0	0	0	0
Contract (Professionally qualified), Permanent	2	0	0	2	0	6	0	0	6	0	8
Contract (Skilled technical), Permanent	5	0	0	5	0	18	0	0	18	0	23
Contract (Semi-skilled), Permanent	0	0	0	0	0	1	0	0	1	0	1
Contract (Unskilled), Permanent	92	0	0	92	0	165	0	0	165	0	257
Total	**150**	**1**	**0**	**152**	**1**	**211**	0	0	**211**	**1**	**364**
Employees with disabilities	**0**	**0**	**0**	**0**	**0**	**0**	0	0	**0**	**0**	**0**

Table 4.7.6 Disciplinary action for the period 1 April 2020 to 31 March 2021

Disciplinary action	Male				Female				
	African	Coloured	Indian	White	African	Coloured	Indian	White	Total
Dismissals	1	0	0	0	0	1	0	0	**2**
Suspension without pay	2	0	0	0	1	0	0	0	**3**
Demotion	0	0	0	0	1	0	0	0	**1**
Final Written Warning	1	0	0	0	3	0	0	0	**4**
Written Warning	0	0	0	1,00	1	0	0	0	**2**
Verbal Warning	0	0	0	0	1	0	0	0	**1**
Case withdrawn	0	0	0	0	0	0	0	0	0
Discharged Sec. 17(3)(i)(a) of PSA	0	0	0	0	0	0	0	0	0
Resigned while case in process	1	0	0	0	0	0	0	0	**1**
Not Guilty	2	0	0	0	0	0	0	0	**2**
Pending cases	8	0	0	0	7	1	0	0	**16**
Total	**15**	**0**	**0**	**1**	**14**	**2**	**0**	**0**	**32**

Table 4.7.7 – Skills development for the period 1 April 2020 to 31 March 2021

Occupational categories	Male				Female				
	African	Coloured	Indian	White	African	Coloured	Indian	White	Total
Legislators, Senior Officials and Managers	36	4	0	3	48	2	0	2	94
Professionals	9	1	0	1	5	0	1	0	17
Technicians and Associate Professionals	0	0	0	0	0	0	0	0	0
Clerks	44	3	0	3	88	5	0	6	149
Service and Sales Workers	0	0	0	0	0	0	0	0	0
Skilled Agriculture and Fishery Workers	0	0	0	0	0	0	0	0	0
Craft and related Trades Workers	0	0	0	0	0	0	0	0	0
Plant and Machine Operators and Assemblers	0	0	0	0	0	0	0	0	0
Elementary Occupations	0	0	0	0	0	0	0	0	0
Total	89	8	0	7	141	7	1	7	260
Employees with disabilities	0	0	0	0	**0**	**0**	**0**	**0**	**0**

4.8 Signing of Performance Agreements by SMS Members

Table 4.8.1. Signing of Performance Agreements by SMS members as on 31 May 2020

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Salary level 16	2	2	3	100%
Salary level 15	0	0	0	100%
Salary level 14	8	6	6	100%
Salary level 13	38	32	32	100%

Table 4.8.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2021

Reasons
Not applicable

Table 4.8.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2021

Reasons
Not applicable

4.9 Performance rewards

Table 4.9.1 Performance rewards by race, gender, and disability for the period 1 April 2020 to 31 March 2021

Race and Gender	Beneficiary Profile			Cost	
	Number of Beneficiaries	Total number of employees in group	% of total within group	Cost (R'000)	Average Cost per employee
African, Female	172	942	18,30	2 895,96	16 837
African, Male	132	1 019	13	2 247,33	17 025
Asian, Female	0	3	0	0	0
Asian, Male	1	3	33,30	31,97	31 972
Coloured, Female	5	13	38,50	94,02	18 805
Coloured, Male	3,99	23	17,30	146,50	36 716
Total Blacks, Female	177	958	18,50	2 989,98	16 983
Total Blacks, Male	136,99	1 045	13,10	2 425,80	17 708
White, Female	3	11	27,30	79,60	26 534
White, Male	1	23	4,30	9,81	9 814
Employees with a disability	2	25	8	88,80	44 899
Total	**319,99**	**2 062**	**15,50**	**5 595**	**17 485**

Table 4.9.2 Performance Rewards by salary bands for personnel below Senior Management Service for the period 1 April 2020 to 31 March 2021

Salary Bands	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee
Lower skilled (Levels 1-2)	58	241	24,10	345,62	5,959
Skilled (Levels 3-5)	64	493	13	634,06	9 907
Highly skilled production (Levels 6-8)	140	672	20,80	2 604,52	18 604

Salary Bands	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee
Highly skilled supervision (Levels 9-12)	57,99	354	16,40	2 011,80	34 692
Contract (Levels 1-2)	0	145	0	0	0
Contract (Levels 3-5)	0	9	0	0	0
Contract (Levels 6-8)	0	30	0	0	0
Contract (Levels 9-12)	0	78	0	0	0
Periodical Remuneration	0	0	0	0	0
Abnormal Appointment	0	0	0	0	0
Total	**319,99**	**2 022**	**15,80**	**5 595,99**	**17 488**
				5 595,00	

Table 4.9.3 Performance Rewards by critical occupations for the period 1 April 2020 to 31 March 2021

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Administrative related	26,99	248	10,90	827,49	30 659
Agriculture animal oceanography forestry & other sciences	0	1	0	0	0
Agriculture related	0	2	0	0	0
All artisans in the building metal machinery etc.	46	300	15,30	400,56	8 708
Appraisers-valuers and related professionals	10	34	29,40	217,72	21 772
Architects town and traffic planners	3	21	14,30	144,95	48 314
Artisan project and related superintendents	0	21	0	0	0
Auxiliary and related workers	0	1	0	0	0
Boiler and related operators	0	0	0	0	0
Building and other property caretakers	1	11	9,10	7,03	7 031
Bus and heavy vehicle drivers	2	17	11,80	29,39	14 695
Cartographers and surveyors	0	0	0	0	0
Cartographic surveying and related technicians	0	2	0	0	0
Chartered accountants	0	2	0	0	0
Cleaners in offices workshops hospitals etc.	39	160	24,40	242,42	6 216
Client information clerks (switch board reception information clerks)	1	4	25	11,61	11 611

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Communication and information related	1	16	6,30	17,72	17 722
Community development workers	0	0	0	0	0
Computer programmers	1	1	100	15,44	15 443
Earth moving and related plant operators	0	0	0	0	0
Engineering sciences related	1	97	1	44,41	44 412
Engineers and related professionals	0	20	0	0	0
Finance and economics related	2	18	11,10	54,49	27 247
Financial and related professionals	14	60	23,30	353,23	23 945,
Financial clerks and credit controllers	32	104	30,80	520,52	16 266
Firefighting and related workers	0	3	0	0	0
Forestry labourers	0	0	0	0	0
General Legal administration & rel. professionals	0	1	0	0	0
Head of Department/chief executive officer	0	1	0	0	0
Health sciences related	0	1	0	0	0
Housekeepers laundry and related workers	1	2	50	15,94	15 937
Human resources & organisation development & related professionals	15	55	27,30	300,55	20 037
Human resources clerks	7	46	15,20	91,02	13 002
Human resources related	15	47	31,90	441,35	29 423
Information technology related	1	3	33,30	30,77	30 767
Inspectors of apprentices works and vehicles	4	69	5,80	79	19 751
Language practitioners interpreters & other communication	0	0	0	0	0
Legal related	2	3	66,70	24,24	12 121
Library mail and related clerks	3	25	12	39,70	13 235
Light vehicle drivers	2	10	20	31,47	15 735
Logistical support personnel	17	123	13,80	392,49	23 088
Material-recording and transport clerks	0	3	0	0	0
Messengers, porters and deliverers	1	5	20	7,37	7 734
Motor vehicle drivers	0	9	0	0	0
Nature conservation and oceanographical related technicians	0	1	0	0	0
Other administration & related clerks and organisers	13	63	20,60	129,79	9 984
Other administrative policy and related officers	7	26	26,90	137	19 572

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Other information technology personnel	6	14	42,90	109,49	18 248
Other occupations	0	1	0	0	0
Printing management and supervisory personnel	0	5	0	0	0
Production advisers : factories	5	109	4,60	122,17	24 435
Quantity surveyors & relations prof not class elsewhere	2	38	5,30	92,60	46 299
Rank: Unknown	0	0	0	0	0
Regulatory inspectors	0	0	0	0	0
Risk management and security services	4	16	25	175,10	43 774
Road superintendents	0	0	0	0	0
Road trade workers.	0	0	0	0	0
Road workers	1	7	14,30	5,38	5 378
Safety health and quality inspectors	0	3	0	0	0
Secretaries & other keyboard operating clerks	15	35	42,90	255,76	17 051
Security guards	3	7	42,90	19,48	6 494
Security officers	16	106	15,10	218,88	13 680
Senior managers	0	38	0	0	0
Trade labourers	0	42	0	0	0
Trade quality controllers	0	1	0	0	0
Trade/Industry advisers & other related profession	0	3	0	0	0
Trade related	0	2	0	0	0
Water plant and related operators	0	1	0	0	0
Total	**319,99**	**2 062**	**15,50**	**5 595**	**17 485**

Table 4.9.4 Performance related rewards (cash bonus), by salary band, for Senior Management Service for the period 1 April 2020 to 31 March 2021

Salary Band	Beneficiary Profile			Cost			
	Number of beneficiarie s	Number of employees	% of total within band	Total Cost (R'000)	Average cost per employe e	Total cost as a % of the total personnel expenditure	Personnel Cost SMS (R'000)
Band A	0	32	0	0	0	0	380 065,46
Band B	0	6	0	0	0	0	8 266,87
Band C	0	0	0	0	0	0	0
Band D	0	2	0	0	0	0	4 106,54
Total	0	**40**	0	0	0	0	**50 438,86**

4.10 Foreign Workers

Table 4.10.1 Foreign Worker by salary band for the period 1 April 2020 and 31 March 20201

Salary Band	01 April 2019		31 March 2020		Change		TOTAL		Total
	Number	% of total	Number	% of total	Number	% Change	Beginning	End	change
Lower skilled	0	0	0	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	6	100	6	100	0	0	6	6	0
Contract (Levels 6-8)	0	0	0	0	0	0	0	0	0
Contract (Levels 9-12)	0	0	0	0	0	0	0	0	0
Contract (Levels 13-16)	0	0	0	0	0	0	0	0	0
Periodical Remuneration	0	0	0	0	0	0	0	0	0
Total	**6**	**100**	**6**	**100**	**0**	**0**	**0**	**0**	**0**

TABLE 4.10.2 Foreign Worker by major occupation for the period 1 April 2020 and 31 March 2021

Major Occupation	01 April 2020		31 March 2021		Change		Total		Total
	Number	% of total	Number	% of total	Number	% Change	Beginning	End	change
Administrative office workers	0	0	0	0	0	0	6	6	0
Other occupations	0	0	0	0	0	0	0	0	0
Professionals and managers	6	100	6	100	0	0	6	6	0
Total	**6**	**100**	**6**	**100**	**0**	**0**	**6**	**6**	**0**

4.11 Leave utilisation

TABLE 4.11.1 Sick leave for the period 1 January 2020 to 31 December 2020

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
Lower skilled (Levels 1-2)	822	86,40	117	10,50	7	465	1 117	710
Skilled (Levels 3-5)	1 498	82,80	243	21,80	6	1 266	1 117	1 241
Highly skilled production (Levels 6-8)	2 515	80,40	423	37,90	6	3 895	1 117	2 022
Highly skilled supervision (Levels 9-12)	1403	85,40	203	18,20	7	3 941	1 117	1 198
Senior management (Levels 13-16)	64	96,90	13	1,20	5	276	1 117	62
Contract (Levels 1-2)	0	0	0	0	0	0	0	0
Contract (Levels 3-5)	0	0	0	0	0	0	0	0
Contract (Levels 6-8)	78	76,90	20	1,80	4	115	1 117	60
Contract (Levels 9-12)	152	79,60	25	2,20	6	334	1 117	121
Contract (Levels 13-16)	187	53,50	73	6,50	3,	75	1 117	100
Total	**6 719**	**82,10**	**1 117,00**	**100**	**6,00**	**10 368**	**1 117**	**5 514**

TABLE 4.11.2 Disability leave (temporary and permanent) for the period 1 January 2020 to 31 December 2020

Salary Band	Total Days	% Days with Medical Certification	Number of Employees using Disability Leave	% of Total Employees using Disability Leave	Average Days per Employee	Estimated Cost (R'000)	Total number of days with medical certification	Total number of Employees using Disability Leave
Lower skilled (Levels 1-2)	25	100	1	5	25	15	25	20
Skilled (Levels 3-5)	115	100	3	15	38	105	115	20
Highly skilled production (Levels 6-8)	202	100	7	35	29	306	202	20
Highly skilled supervision (Levels 9-12)	107	100	5	25	21	374	107	20
Contract (Levels 1-2)	0	0	0	0	0	0	0	0
Contract (Levels 6-8)	228	100	1	5	228	309	228	20
Contract Other	18	100	2	10	9	7	18	20
Senior management (Level 13-16)	1	100	1	5	1	5	1	20
Total	**696**	**100**	**20**	**100**	**35**	**1 120**	**696**	**20**

TABLE 4.11.3 Annual Leave for the period 1 January 2020 to 31 December 2020

Salary Band	Total Days Taken	Average days per Employee	Number of Employees who took leave
Lower skilled (Levels 1-2)	4 711	19	248
Skilled (Levels 3-5)	10 855	21	518
Highly skilled production (Levels 6-8)	13 808	20	695
Highly skilled supervision (Levels 9-12)	7 628,89	21	368
Senior management (Levels 13-16)	872	23	38
Contract (Levels 1-2)	0	0	0
Contract (Levels 3-5)	3	3	1
Contract (Levels 6-8)	589	13	47
Contract (Levels 9-12)	1 257	16	79
Contract (Levels 13-16)	22	22	1
Contract Other	1 514	8	187
Total	**41 259,89**	**19**	**2 182**

Table 4.11.4 Capped leave for the period 1 January 2020 to 31 December 2020

Salary Band	Total Days Taken	Average days per Employee	Average Capped Leave per Employee as at End of Period	Number of Employees who took leave	Total Number of Capped Leave Available at End of Period	Number of Employees as at End of Period
Lower skilled (Levels 1-2)	0	0	72	0	215,56	3
Skilled (Levels 3-5)	1	1	107	1	17 854,71	167
Highly skilled production (Levels 6-8)	0	0	114	0	20 887,14	183
Highly skilled supervision (Levels 9-12)	0	0	100	0	8 793,77	88
Senior management (Levels 13-16)	0	0	69	0	757,75	11
Contract (Levels 1-2)	0	0	0	0	0	0
Contract (Levels 3-5)	0	0	0	0	0	0
Contract (Levels 6-8)	0	0	0	0	0	0
Contract (Levels 9-12)	0	0	0	0	0	0
Contract (Levels 13-16)	0	0	0	0	0	0
Total	**1**	**1**	**107**	**1**	**48 508,93**	**452**

TABLE 4.11.5 Leave payouts for the period 1 January 2020 to 31 December 2020

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 per employee (R'000)
Leave payout for 2019/20 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave payouts on termination of service for 2019/20	0	0	0
Current leave payout on termination of service for 2019/20	0	0	0
Annual-Discounting with resignation (Work days)	1 567	139	11 273
Annual-Discounting: Contract expiry (Work days)	150	23	6 522

Reason	Total Amount (R'000)	Number of Employees	Average per employee (R'000)
Annual Gratuity: Death/Retirement/Medical Retirement (Work days)	1 055	58	18 190
Capped-Gratuity: Death/Retirement/Medical Retirement (Work days)	3 494	26	151 885
Total	**6 721**		
Leave payouts (Actual) Allowance Codes-0060, 0168, 0625, 0422, 0567, 0698, 0699, 0701		**6 497**	**220**

4.12 HIV and AIDS & Health promotion programmes

TABLE 4.12.1 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
Employees at Depots	HIV and TB Education/ awareness; combined HCT testing campaigns and Health promotion talks conducted.

TABLE 4.12.2 – Details of Health Promotion and HIV and AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		Ms L.F. Matu Director: Employee Health & Wellness Programme
2. Does the department have a dedicated Unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		Fourteen (14) officials, including Head Office Budget R1.5 million
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	Yes		• HIV & AIDS and TB Management • Health & Productivity Management • Safety, Health, Environment, Risk & Quality Management • Wellness Management
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	Yes		Messrs.': S. Kufa; L. Coetzer; M. Mduba; Z. Kalako; Q. Mageza; V. Njobe; M. Gwavu; A. Majozini. Mrs.'s: N. Matyana; P. Penxa; K. Tyali; Ms.'s: A. Mahamba; T. George Health and Safety Representatives and Organised Labour
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		Safety, Health, Environment, Risk and Quality (SHERQ) Management Policy. Health and Productivity Management (HRM) Policy Wellness Management Policy Social Responsibility
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		HIV & AIDS and TB Management Policy HPM Policy SHERQ Management Policy Wellness Management Policy

Question	Yes	No	Details, if yes
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Yes		According to the GEMS report, 212 employees are enrolled on ART Programme. 71 participated on HCT (2020/21)
8. Has the department developed measures/indicators to monitor & evaluate the impact of its Health Promotion Programme? If so, list these measures/indicators.	Yes		Sick leave analysis

4.13 Labour relations

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

TABLE 4.13.1 Collective agreements for the period 1 April 2020 and 31 March 2021

Total number of collective agreements	0

- **Collective Agreements are signed nationally and implemented provincially.**

TABLE 4.13.2 – Misconduct and disciplinary hearings finalised for the period 1 April 2020 and 31 March 2021

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	1	6,25
Verbal warning	1	6,25
Written warning	2	12,50
Final written warning	4	25
Suspended without pay	2	12,50
Fine	0	0
Demotion	1	6,25
Dismissal (Discharge for operational requirements)	1	6,25
Transfer Out	1	6,25
Case withdrawn	0	0
Resignations	1	6,25
Discharged on Sec. 17(3)(i)(a) of PSA	0	0
Not guilty	2	12,50
Total	16	100%

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

Total number of Disciplinary hearings finalised	16

TABLE 4.13.3 – Types of misconduct addressed at disciplinary hearings for the period 1 April 2020 and 31 March 2021

Type of misconduct	Number	% of total
Abuse of sick leave	0	0
Dishonesty	1	3,57
Late coming	0	0
Assault	0	0
Gross insubordination	2	7.14
Insolence	0	0
Intentional or negligent damage to the employ or client of the employer, co-worker	0	0
Intoxication	0	0
Gross absenteeism	1	3.57
Insubordination	0	0
Abuse of government vehicle	2	7.14
Gross dishonesty	4	14.29
Dereliction of duties	1	3,57
Fraud	0	0
Remunerative Work Outside the Public Service (RWOPS)	0	0
Misrepresentation	1	3,57
Negligence	2	7.14
Abuse of State Property	0	0

Type of misconduct	Number	% of total
Bringing the name of the department into disrepute	1	3,57
Absenteeism	2	7.14
Fight	0	0
Theft	0	0
Failure to adhere to the Code of Conduct	7	25
Defamation of character	1	3,57
Irregular and wasteful expenditure	3	10,72
Total	**28**	**100**

TABLE 4.13.4 – Grievances lodged for the period 1 April 2019 and 31 March 2020

Type of misconduct	Number	% of Total
Number of grievances resolved	9	60%
Number of grievances not resolved	6	40%
Total number of grievances lodged	15	100%

TABLE 4.13.5 – Disputes lodged with Councils for the period 1 April 2020 and 31 March 2021

	Number	% of Total
Number of disputes pending	10	71,43
Number of disputes upheld	4	28,57
Total number of disputes lodged	14	100

TABLE 4.13.6 – Strike actions for the period 1 April 2020 and 31 March 2021

Total number of person working days lost	N/A
Total cost of working days lost (R'000)	N/A
Amount recovered as a result of no work no pay (R'000)	N/A

TABLE 4.13.7 – Precautionary suspensions for the period 1 April 2020 and 31 March 2021

Number of people suspended	4,00
Number of people whose suspension exceeded 30 days	3,00
Average number of days suspended	100 days
Cost of suspensions (R'000)	R6 035 486,06

4.14 Skills development

Table 4.14.1 Training needs identified for the period 1 April 2020 and 31 March 2021

Occupational Categories	Gender	Number of employees as at 1 April 2020	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	97	9	80	8	97
	Male	62	6	52	4	62
Professionals	Female	49	0	40	9	49
	Male	401	0	399	2	401
Technicians and associate professionals	Female	32	0	399	12	399
	Male	66	0	61	5	66
Clerks	Female	399	2	385	12	399
	Male	78	2	69	7	78
Service and sales workers	Female	21	0	21	0	21
	Male	42	0	42	0	42
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	11	0	11	0	11
	Male	33	0	33	0	33
Elementary occupations	Female	0	0	0	0	0
	Male	0	0	0	0	0
Sub Total	Female	609	11	565	33	609

Occupational Categories	Gender	Number of employees as at 1 April 2020	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
	Male	682	8	656	18	682
Total		**1 291**	**19**	**1 221**	**51**	**1 291**

Table 4.14.2 Training provided for the period 1 April 2020 and 31 March 2021

Occupational Categories	Gender	Number of employees as at 1 April 2020	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	51	0	48	3	51
	Male	43	0	40	3	43
Professionals	Female	6	0	4	2	6
	Male	11	0	7	4	11
Technicians and associate professionals	Female	0	0	0	0	0
	Male	0	0	0	0	0
Clerks	Female	99	0	88	11	99
	Male	50	0	47	3	50
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	0	0	0	0	0
	Male	0	0	0	0	0
Sub Total	Female	156	0	140	16	156
	Male	104	0	94	10	104
Total		**260**	0	**234**	**26**	**260**

4.15 Injury on duty

TABLE 4.15.1 Injury on duty for the period 1 April 2020 and 31 March 2021.

Nature of injury on duty	Number	% of total
Required basic medical attention only	0	0
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	**0**	**0**

4.16 Utilisation of consultants

Table 4.16.1 – Report on consultant appointments using appropriated funds for the period 1 April 2020 and 31 March 2021

Project Title	Total number of consultants that worked on the project	Duration : work days	Contract value in Rand	Total Expenditure 2020/21
			R'000	R'000
To provide support to the Office of the Chief Financial Officer	3	183	1104	1,104
Development of ICT Strategy	N/A	N/A	412	412
Provision of proof of educational qualifications	N/A	N/A	27	27
Independent psychiatric assessment of employees	N/A	N/A	525	430
Various Consultants	N/A	N/A	1101	1,1110
TOTAL PROGRAMME 1	**3**	**183**	**2068**	**3,083**
Land surveying services for subdivision and consolidation of erven	1	N/A	N/A	483
To undertake Due Diligence Assessment and to complete Part A-E of the Bhisho Office Precinct.	N/A	N/A	48,014	2,283
Survey of state domestic facilities	1	N/A	494	494
Land surveying services for the consolidation of erven.	1	N/A	750	750
Provision of conveyancing services, endorsement of title deeds with vesting certificates, registration of consolidated titles, transfer and provision of transfer costs	2	N/A	20	20
Determination of market values and rentals	1	N/A	17	17
Land surveying services for subdivision and consolidation of erven	1	N/A	137	137
Enhancement, Maintenance and support of ECIP	8	365	2,718	1,352
Land surveying services for the consolidation of erven.	1	N/A	N/A	418
Programme implementation and management office to provide support in the management of provincial infrastructure delivery	41	1095	174,861	15,414
Sourcing of comparable sales information for municipal valuation objections	1	N/A	N/A	150
Valuation services for the Determination of market related rental	1	N/A	N/A	104
TOTAL PROGRAMME 2	59	2,847	228,228	21,622
Development, support and maintenance of a Job Portal system	N/A	730	2,841	507
Implementation evaluation study of Youth participation within EPWP programme in the Eastern Cape	N/A	274	819	165
TOTAL PROGRAMME 3	**0**	**1,004**	**3,660**	**672**
GRAND TOTAL	**62**	**4,034**	**233,956**	**25,377**

Table 4.16.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2020 and 31 March 2021

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
Programme 1			
To provide support to the Office of the Chief Financial Officer	100%	100%	3
Development of ICT Strategy			N/A
Provision of proof of educational qualifications	100%	100%	N/A
Independent psychiatric assessment of employees	24.64%	24.64%	N/A
Various Consultants	100%	100%	N/A
Total Programme 1			**3**
Programme 2			
Land surveying services for subdivision and consolidation of erven	100%	100%	1
To undertake Due Diligence Assessment and to complete Part A-E of the Bhisho Office Precinct.	100%	100%	N/A
Survey of state domestic facilities	100%	100%	1
Land surveying services for the consolidation of erven.	100%	100%	1
Provision of conveyancing services, endorsement of title deeds with vesting certificates, registration of consolidated titles, transfer and provision of transfer costs	100%	100%	2
Determination of market values and rentals	100%	100%	1
Land surveying services for subdivision and consolidation of erven	100%	100%	1
Enhancement, Maintenance and support of ECIP	51%	51%	8
Land surveying services for the consolidation of erven.	100%	100%	1
Programme implementation and management office to provide support in the management of provincial infrastructure delivery	80%	80%	41
Sourcing of comparable sales information for municipal valuation objections	0%	0%	1
Valuation services for the Determination of market related rental	51%	51%	1
Total Programme 2			59
Programme 3			
Development, support and maintenance of a Job Portal system	100%	100%	n/a
Implementation evaluation study of Youth participation within EPWP programme in the Eastern Cape	51%	51%	n/a
Total Programme 3			**0**
Grand Total			**62**

Table 4.16.3 – Report on consultant appointments using Donor funds for the period 1 April 2020 and 31 March 2021

Project Title	Total Number of consultants that worked on the project	Duration: Work days	Donor and Contract value in Rand
N/A	N/A	N/A	N/A

Table 4.16.4 – Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2020 and 31 March 2021

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
N/A	N/A	N/A	N/A

4.17 Severance Packages

Table 4.17.1 Granting of employee initiated severance packages for the period 1 April 2020 and 31 March 2021

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

Part: E

5. PART E: FINANCIAL INFORMATION

5.1 Report of the Auditor-General to the Eastern Cape Provincial Legislature on Vote no. 5: Department of Public Works

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Public Works, set out on pages 174 to 243, which comprise the appropriation statement, statement of financial position as at 31 March 2021, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Public Works as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standard (MCS) as prescribed by the National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 4 of 2020 (Dora).

Basis for opinion

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

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

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

Emphasis of matters

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

Material Impairments - Accrued Departmental Revenue

7. Accrued departmental revenue of R182,7 million (2019-20: R166,1 million) is disclosed in note 23 to the financial statements. This amount is impaired by R139,4 million (2019-20: R115,1 million), as disclosed in the same note to the financial statements.

Irregular expenditure

8. Irregular expenditure as disclosed in note 24 to the financial statements R664,8 million (2019-20: R968,9 million) has not been recovered or condoned. Included in this amount is irregular expenditure incurred in the current year of R101,3 million.

Other matter

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

Unaudited supplementary schedules

10. The supplementary information set out on pages 260 to 271 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

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

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

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

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

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

Report on the audit of the annual performance report

Introduction and scope

15. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected programme presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

16. My procedures address the usefulness and reliability of the reported performance information, which must be based on the department's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the department enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

17. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the department's annual performance report for the year ended 31 March 2021:

Programme	Pages in the annual performance report
Programme 2 – Public Works Infrastructure	62-88

18. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

19. I did not raise any material findings on the usefulness and reliability of the reported performance information for this programme:

- Programme 2 – Public Works Infrastructure.

Other matters

20. I draw attention to the matters below.

Achievement of planned targets

21. Refer to the annual performance report on pages 62 to 70 for information on the achievement of planned targets for the year and management's explanations provided for the under and over achievement of targets.

Adjustment of material misstatements

22. I identified material misstatement in the annual performance report submitted for auditing. A material misstatement was in the reported performance information of Programme 2 – Public Works Infrastructure. As management subsequently corrected the misstatement, I did not raise any material findings on the usefulness and reliability of the reported performance information.

Report on the Audit of compliance with legislation

Introduction and scope

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

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

Annual financial statements

25. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and supported by full and proper records as required by section 40(1)(a) and (b) of the PFMA. A material misstatement of a disclosure item identified by the auditors in the submitted financial statement was corrected and the supporting records were provided subsequently, resulting in the financial statements receiving an unqualified opinion.

Expenditure management

26. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R101,3 million, as disclosed in note 24 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the irregular expenditure disclosed in the financial statements was caused by non-compliance with the supply chain management regulations.

Other information

27. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and the selected programme presented in the annual performance report that have been specifically reported in this auditor's report.

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

29. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programme presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

30. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

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

32. The leadership did not effectively implement and monitor the processes in place that are designed to prevent and detect non-compliance with laws and regulations specifically those relating to supply chain management. This is evidenced by the fact that the department continued to incur irregular expenditure during the year under review.

33. The department developed an audit action plan to address the prior year findings, but this was not fully implemented, which resulted in repeat findings. Furthermore, management did not implement daily and monthly internal controls to ensure that the financial statements and annual performance report are supported by accurate and complete supporting schedules.

Auditor- General.

East London

30 July 2021

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general's responsibility for the audit

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

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

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

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

5.2 Annual Financial Statements for the year ended 31 March 2021
5.2.1. Appropriation Statement

Eastern Cape Department of Public Works
(Vote number Vote 5)
Annual Financial Statements for the year ended March 31, 2021

Appropriation Statement

Appropriation per programme

Figures in Rand thousand		2020/2021							2019/2020	
		Adjusted Appropriation	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual Expenditure**
Programme										
ADMINISTRATION	1	489,240	-	-	489,240	486,602	2,638	99.46 %	580,468	575,650
PUBLIC WORKS INFRASTRUCTURE	2	1,779,708	-	5,594	1,785,302	1,750,053	35,249	98.03 %	1,783,719	1,756,297
EXPANDED PUBLIC WORKS PROGRAMME	3	139,644	-	(5,594)	134,050	131,300	2,750	97.95 %	118,710	117,607
Programme subtotal		**2,408,592**	**-**	**-**	**2,408,592**	**2,367,955**	**40,637**	**98.31 %**	**2,482,897**	**2,449,554**
Programme sub total		2,408,592	-	-	2,408,592	2,367,955	40,637	98.31 %	2,482,897	2,449,554
Total		**2,408,592**	**-**	**-**	**2,408,592**	**2,367,955**	**40,637**	**98.31 %**	**2,482,897**	**2,449,554**
Reconciliation with statement of financial performance										
Add:										
Actual expenditure						2,367,955				2,449,554
Add:										
Actual amounts per statement of financial performance (total expenditure)						**2,367,955**				**2,449,554**

Eastern Cape Department of Public Works
(Vote number Vote 5)
Annual Financial Statements for the year ended March 31, 2021

Appropriation Statement

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Appropriation per economic classification									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	771,490	(28,437)	-	743,053	742,815	238	99.97 %	761,102	761,102
Social contributions	109,407	5,934	-	115,341	115,341	-	100.00 %	112,619	112,619
	880,897	**(22,503)**	**-**	**858,394**	**858,156**	**238**	**99.97 %**	**873,721**	**873,721**
Goods and services									
Administrative fees	15	20	-	35	35	-	100.00 %	32	32
Advertising	3,614	107	-	3,721	3,721	-	100.00 %	3,149	2,351
Minor assets	582	(255)	-	327	327	-	100.00 %	1,665	1,665
Audit costs: External	8,248	1,353	-	9,601	9,601	-	100.00 %	8,948	8,948
Bursaries: Employees	3,112	(749)	-	2,363	2,363	-	100.00 %	1,534	1,534
Catering: Departmental activities	1,292	132	-	1,424	1,424	-	100.00 %	3,086	3,086
Communication	13,244	(541)	-	12,703	12,703	-	100.00 %	14,212	14,212
Computer services	35,000	(145)	-	34,855	34,855	-	100.00 %	40,886	40,886
Consultants: Business and advisory services	15,704	9,673	-	25,377	25,377	-	100.00 %	15,555	15,555
Legal services	3,287	2,943	-	6,230	6,230	-	100.00 %	16,470	16,470
Contractors	360	(41)	-	319	319	-	100.00 %	53	53
Inventory: Clothing material and supplies	2,783	2,786	(1,606)	3,963	1,894	2,069	47.79 %	3,364	3,364
Inventory: Fuel, oil and gas	-	-	-	-	-	-	- %	1	1
Inventory: Materials and supplies	5,158	253	(3,988)	1,423	742	681	52.14 %	5,592	4,820
Consumable supplies	2,344	1,370	-	3,714	3,714	-	100.00 %	6,620	6,620
Consumable: Stationery, printing and office supplies	1,088	110	-	1,198	1,198	-	100.00 %	3,802	3,802
Operating leases	280,369	(40,542)	-	239,827	239,827	-	100.00 %	297,610	279,139
Property payments	359,864	11,998	-	371,862	371,862	-	100.00 %	323,570	317,683
Travel and subsistence	49,060	13,294	-	62,354	62,354	-	100.00 %	45,722	45,722
Training and development	2,776	(475)	-	2,301	2,301	-	100.00 %	10,894	10,894
Operating payments	1,221	(33)	-	1,188	1,188	-	100.00 %	1,933	1,933
Venues and facilities	829	(334)	-	495	495	-	100.00 %	3,188	3,188
Rental and hiring	2,000	(1,511)	-	489	489	-	100.00 %	8,017	8,017
	791,950	**(587)**	**(5,594)**	**785,769**	**783,019**	**2,750**	**99.65 %**	**815,903**	**789,975**
Interest and rent on land									

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Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Interest (Incl. interest on unitary payments (PPP))	-	225	-	225	225	-	100.00 %	238	238
Compensation of employees	880,897	(22,503)	-	858,394	858,156	238	99.97 %	873,721	873,721
Goods and services	791,950	(587)	(5,594)	785,769	783,019	2,750	99.65 %	815,903	789,975
Interest and rent on land	-	225	-	225	225	-	100.00 %	238	238
Total current payments	**1,672,847**	**(22,865)**	**(5,594)**	**1,644,388**	**1,641,400**	**2,988**	**99.82 %**	**1,689,862**	**1,663,934**
Transfers and subsidies									
Provinces and municipalities									
Municipalities									
Municipal bank accounts	539,662	3,162	-	542,824	542,824	-	100.00 %	507,339	507,339
Municipalities	539,662	3,162	-	542,824	542,824	-	100.00 %	507,339	507,339
Households									
Social benefits	4,960	2,543	-	7,503	7,503	-	100.00 %	13,577	13,577
Other transfers to households	6,000	716	-	6,716	6,716	-	100.00 %	9,000	9,000
	10,960	**3,259**	**-**	**14,219**	**14,219**	**-**	**100.00 %**	**22,577**	**22,577**
Provinces and municipalities	539,662	3,162	-	542,824	542,824	-	100.00 %	507,339	507,339
Households	10,960	3,259	-	14,219	14,219	-	100.00 %	22,577	22,577
Total transfers and subsidies	**550,622**	**6,421**	**-**	**557,043**	**557,043**	**-**	**100.00 %**	**529,916**	**529,916**
Payments for capital assets									
Buildings and other fixed structures									
Buildings	153,596	21,364	5,594	180,554	152,206	28,348	84.30 %	225,889	225,889
Machinery and equipment									
Transport equipment	11,193	(1,209)	-	9,984	9,984	-	100.00 %	12,068	12,068
Other machinery and equipment	20,334	(3,711)	-	16,623	7,322	9,301	44.05 %	24,394	16,979
	31,527	**(4,920)**	**-**	**26,607**	**17,306**	**9,301**	**65.04 %**	**36,462**	**29,047**
Buildings and other fixed structures	153,596	21,364	5,594	180,554	152,206	28,348	84.30 %	225,889	225,889
Machinery and equipment	31,527	(4,920)	-	26,607	17,306	9,301	65.04 %	36,462	29,047
Total payments for capital assets	**185,123**	**16,444**	**5,594**	**207,161**	**169,512**	**37,649**	**81.83 %**	**262,351**	**254,936**
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**- %**	**767**	**767**
Total current payments	1,672,847	(22,865)	(5,594)	1,644,388	1,641,400	2,988	99.82 %	1,689,862	1,663,934
Total transfers and subsidies	550,622	6,421	-	557,043	557,043	-	100.00 %	529,916	529,916

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Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Total payments for capital assets	185,123	16,444	5,594	207,161	169,512	37,649	81.83 %	262,351	254,936
Total payments for financial assets	-	-	-	-	-	-	- %	767	767
Total	**2,408,592**	**-**	**-**	**2,408,592**	**2,367,955**	**40,637**	**98.31 %**	**2,482,896**	**2,449,553**

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Figures in Rand thousand		2020/2021							2019/2020	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure

1. ADMINISTRATION

Figures in Rand thousand		Adjusted Appropriation (2020/2021)	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation (2019/2020)	Actual Expenditure (2019/2020)
Sub programme										
OFFICE OF THE MEC	1.1	9,795	26	-	9,821	9,821	-	100.00 %	10,807	10,807
MANAGEMENT OF THE DEPARTMENT	1.2	13,795	2,158	-	15,953	15,953	-	100.00 %	18,959	18,959
CORPORATE SUPPORT	1.3	465,650	(2,184)	-	463,466	460,828	2,638	99.43 %	550,702	545,884
Subtotal		**489,240**	**-**	**-**	**489,240**	**486,602**	**2,638**	**99.46 %**	**580,468**	**575,650**
Economic classification										
Current payments										
Compensation of employees										
Salaries and wages		325,641	(22,159)	-	303,482	303,244	238	99.92 %	328,593	328,593
Social contributions		47,733	6,879	-	54,612	54,612	-	100.00 %	53,973	53,973
		373,374	**(15,280)**	**-**	**358,094**	**357,856**	**238**	**99.93 %**	**382,566**	**382,566**
Goods and services										
Administrative fees		15	20	-	35	35	-	100.00 %	32	32
Advertising		2,265	948	-	3,213	3,213	-	100.00 %	3,062	2,264
Minor assets		289	(31)	-	258	258	-	100.00 %	866	866
Audit costs: External		8,248	1,353	-	9,601	9,601	-	100.00 %	8,948	8,948
Bursaries: Employees		3,112	(749)	-	2,363	2,363	-	100.00 %	1,534	1,534
Catering: Departmental activities		59	17	-	76	76	-	100.00 %	1,474	1,474
Communication		13,238	(535)	-	12,703	12,703	-	100.00 %	14,209	14,209
Computer services		35,000	(145)	-	34,855	34,855	-	100.00 %	40,886	40,886
Consultants: Business and advisory services		3,543	(460)	-	3,083	3,083	-	100.00 %	6,385	6,385
Legal services		3,287	2,943	-	6,230	6,230	-	100.00 %	16,470	16,470
Contractors		-	23	-	23	23	-	100.00 %	11	11
Inventory: Clothing material and supplies		-	47	-	47	47	-	100.00 %	-	-

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Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1. ADMINISTRATION(Continued)									
Inventory: Materials and supplies	-	-	-	-	-	-	- %	12	12
Consumable supplies	847	207	-	1,054	1,054	-	100.00 %	2,524	2,524
Consumable: Stationery, printing and office supplies	412	262	-	674	674	-	100.00 %	3,238	3,238
Operating leases	8,328	4,577	-	12,905	12,905	-	100.00 %	14,823	14,823
Property payments	2,714	(457)	-	2,257	2,257	-	100.00 %	1,906	1,906
Travel and subsistence	3,196	2,706	-	5,902	5,902	-	100.00 %	18,696	18,696
Training and development	1,055	458	-	1,513	1,513	-	100.00 %	5,825	5,825
Operating payments	340	205	-	545	545	-	100.00 %	656	656
Venues and facilities	829	(355)	-	474	474	-	100.00 %	2,528	2,528
	86,777	**11,034**	**-**	**97,811**	**97,811**	**-**	**100.00 %**	**144,085**	**143,287**
Interest and rent on land									
Interest (Incl. interest on unitary payments (PPP))	-	2	-	2	2	-	100.00 %	62	62
Compensation of employees	373,374	(15,280)	-	358,094	357,856	238	99.93 %	382,566	382,566
Goods and services	86,777	11,034	-	97,811	97,811	-	100.00 %	144,085	143,287
Interest and rent on land	-	2	-	2	2	-	100.00 %	62	62
Total current payments	**460,151**	**(4,244)**	**-**	**455,907**	**455,669**	**238**	**99.95 %**	**526,713**	**525,915**
Transfers and subsidies									
Households									
Social benefits	4,960	2,543	-	7,503	7,503	-	100.00 %	13,577	13,577
Other transfers to households	6,000	606	-	6,606	6,606	-	100.00 %	9,000	9,000
	10,960	**3,149**	**-**	**14,109**	**14,109**	**-**	**100.00 %**	**22,577**	**22,577**
Households	10,960	3,149	-	14,109	14,109	-	100.00 %	22,577	22,577
Payments for capital assets									
Machinery and equipment									
Transport equipment	11,193	(1,209)	-	9,984	9,984	-	100.00 %	12,068	12,068
Other machinery and equipment	6,936	2,304	-	9,240	6,840	2,400	74.03 %	18,343	14,323
	18,129	**1,095**	**-**	**19,224**	**16,824**	**2,400**	**87.52 %**	**30,411**	**26,391**
Machinery and equipment	18,129	1,095	-	19,224	16,824	2,400	87.52 %	30,411	26,391

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Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1. ADMINISTRATION(Continued)									
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**- %**	**767**	**767**
Total current payments	460,151	(4,244)	-	455,907	455,669	238	99.95 %	526,713	525,915
Total transfers and subsidies	10,960	3,149	-	14,109	14,109	-	100.00 %	22,577	22,577
Total payments for capital assets	18,129	1,095	-	19,224	16,824	2,400	87.52 %	30,411	26,391
Total payments for financial assets	-	-	-	-	-	-	- %	767	767
Total	**489,240**	**-**	**-**	**489,240**	**486,602**	**2,638**	**99.46 %**	**580,468**	**575,650**

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1.1 OFFICE OF THE MEC

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	8,037	(114)	-	7,923	7,923	-	100.00 %	7,114	7,114
Social contributions	533	(45)	-	488	488	-	100.00 %	325	325
	8,570	**(159)**	**-**	**8,411**	**8,411**	**-**	**100.00 %**	**7,439**	**7,439**
Goods and services									
Minor assets	71	(71)	-	-	-	-	- %	11	11
Catering: Departmental activities	-	-	-	-	-	-	- %	15	15
Consultants: Business and advisory services	-	-	-	-	-	-	- %	27	27
Consumable supplies	-	7	-	7	7	-	100.00 %	45	45
Consumable: Stationery, printing and office supplies	27	(27)	-	-	-	-	- %	32	32
Travel and subsistence	1,104	299	-	1,403	1,403	-	100.00 %	2,068	2,068
Venues and facilities	-	-	-	-	-	-	- %	1,085	1,085
	1,202	**208**	**-**	**1,410**	**1,410**	**-**	**100.00 %**	**3,283**	**3,283**
Compensation of employees	8,570	(159)	-	8,411	8,411	-	100.00 %	7,439	7,439
Goods and services	1,202	208	-	1,410	1,410	-	100.00 %	3,283	3,283
Total current payments	**9,772**	**49**	**-**	**9,821**	**9,821**	**-**	**100.00 %**	**10,722**	**10,722**
Payments for capital assets									
Machinery and equipment									
Other machinery and equipment	23	(23)	-	-	-	-	- %	85	85
Machinery and equipment	23	(23)	-	-	-	-	- %	85	85
Total current payments	9,772	49	-	9,821	9,821	-	100.00 %	10,722	10,722
Total payments for capital assets	23	(23)	-	-	-	-	- %	85	85
Total	**9,795**	**26**	**-**	**9,821**	**9,821**	**-**	**100.00 %**	**10,807**	**10,807**

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Appropriation Statement

1.2 MANAGEMENT OF THE DEPARTMENT

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	10,693	1,655	-	12,348	12,348	-	100.00 %	11,503	11,503
Social contributions	1,512	121	-	1,633	1,633	-	100.00 %	1,512	1,512
	12,205	**1,776**	**-**	**13,981**	**13,981**	**-**	**100.00 %**	**13,015**	**13,015**
Goods and services									
Advertising	-	-	-	-	-	-	- %	22	22
Minor assets	49	(46)	-	3	3	-	100.00 %	34	34
Catering: Departmental activities	5	7	-	12	12	-	100.00 %	606	606
Contractors	-	-	-	-	-	-	- %	11	11
Consumable supplies	-	-	-	-	-	-	- %	197	197
Consumable: Stationery, printing and office supplies	68	12	-	80	80	-	100.00 %	240	240
Travel and subsistence	594	770	-	1,364	1,364	-	100.00 %	2,740	2,740
Operating payments	10	(10)	-	-	-	-	- %	20	20
Venues and facilities	829	(355)	-	474	474	-	100.00 %	893	893
	1,555	**378**	**-**	**1,933**	**1,933**	**-**	**100.00 %**	**4,763**	**4,763**
Compensation of employees	12,205	1,776	-	13,981	13,981	-	100.00 %	13,015	13,015
Goods and services	1,555	378	-	1,933	1,933	-	100.00 %	4,763	4,763
Total current payments	**13,760**	**2,154**	**-**	**15,914**	**15,914**	**-**	**100.00 %**	**17,778**	**17,778**
Payments for capital assets									
Machinery and equipment									
Other machinery and equipment	35	4	-	39	39	-	100.00 %	1,181	1,181
Machinery and equipment	35	4	-	39	39	-	100.00 %	1,181	1,181
Total current payments	13,760	2,154	-	15,914	15,914	-	100.00 %	17,778	17,778
Total payments for capital assets	35	4	-	39	39	-	100.00 %	1,181	1,181
Total	**13,795**	**2,158**	**-**	**15,953**	**15,953**	**-**	**100.00 %**	**18,959**	**18,959**

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1.3 CORPORATE SUPPORT

Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	306,911	(23,700)	-	283,211	282,973	238	99.92 %	309,976	309,976
Social contributions	45,688	6,803	-	52,491	52,491	-	100.00 %	52,136	52,136
	352,599	**(16,897)**	**-**	**335,702**	**335,464**	**238**	**99.93 %**	**362,112**	**362,112**
Goods and services									
Administrative fees	15	20	-	35	35	-	100.00 %	32	32
Advertising	2,265	948	-	3,213	3,213	-	100.00 %	3,040	2,242
Minor assets	169	86	-	255	255	-	100.00 %	821	821
Audit costs: External	8,248	1,353	-	9,601	9,601	-	100.00 %	8,948	8,948
Bursaries: Employees	3,112	(749)	-	2,363	2,363	-	100.00 %	1,534	1,534
Catering: Departmental activities	54	10	-	64	64	-	100.00 %	853	853
Communication	13,238	(535)	-	12,703	12,703	-	100.00 %	14,209	14,209
Computer services	35,000	(145)	-	34,855	34,855	-	100.00 %	40,886	40,886
Consultants: Business and advisory services	3,543	(460)	-	3,083	3,083	-	100.00 %	6,358	6,358
Legal services	3,287	2,943	-	6,230	6,230	-	100.00 %	16,470	16,470
Contractors	-	23	-	23	23	-	100.00 %	-	-
Inventory: Clothing material and supplies	-	47	-	47	47	-	100.00 %	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	- %	12	12
Consumable supplies	847	200	-	1,047	1,047	-	100.00 %	2,282	2,282
Consumable: Stationery, printing and office supplies	317	277	-	594	594	-	100.00 %	2,966	2,966
Operating leases	8,328	4,577	-	12,905	12,905	-	100.00 %	14,823	14,823
Property payments	2,714	(457)	-	2,257	2,257	-	100.00 %	1,906	1,906
Travel and subsistence	1,498	1,637	-	3,135	3,135	-	100.00 %	13,888	13,888
Training and development	1,055	458	-	1,513	1,513	-	100.00 %	5,825	5,825
Operating payments	330	215	-	545	545	-	100.00 %	636	636
Venues and facilities	-	-	-	-	-	-	- %	550	550
	84,020	**10,448**	**-**	**94,468**	**94,468**	**-**	**100.00 %**	**136,039**	**135,241**

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Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
1.3 CORPORATE SUPPORT(Cont									
Interest and rent on land									
Interest (Incl. interest on unitary payments (PPP))	-	2	-	2	2	-	100.00 %	62	62
Compensation of employees	352,599	(16,897)	-	335,702	335,464	238	99.93 %	362,112	362,112
Goods and services	84,020	10,448	-	94,468	94,468	-	100.00 %	136,039	135,241
Interest and rent on land	-	2	-	2	2	-	100.00 %	62	62
Total current payments	**436,619**	**(6,447)**	**-**	**430,172**	**429,934**	**238**	**99.94 %**	**498,213**	**497,415**
Transfers and subsidies									
Households									
Social benefits	4,960	2,543	-	7,503	7,503	-	100.00 %	13,577	13,577
Other transfers to households	6,000	606	-	6,606	6,606	-	100.00 %	9,000	9,000
	10,960	**3,149**	**-**	**14,109**	**14,109**	**-**	**100.00 %**	**22,577**	**22,577**
Households	10,960	3,149	-	14,109	14,109	-	100.00 %	22,577	22,577
Payments for capital assets									
Machinery and equipment									
Transport equipment	11,193	(1,209)	-	9,984	9,984	-	100.00 %	12,068	12,068
Other machinery and equipment	6,878	2,323	-	9,201	6,801	2,400	73.92 %	17,077	13,057
	18,071	**1,114**	**-**	**19,185**	**16,785**	**2,400**	**87.49 %**	**29,145**	**25,125**
Machinery and equipment	18,071	1,114	-	19,185	16,785	2,400	87.49 %	29,145	25,125
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**- %**	**767**	**767**
Total current payments	436,619	(6,447)	-	430,172	429,934	238	99.94 %	498,213	497,415
Total transfers and subsidies	10,960	3,149	-	14,109	14,109	-	100.00 %	22,577	22,577
Total payments for capital assets	18,071	1,114	-	19,185	16,785	2,400	87.49 %	29,145	25,125
Total payments for financial assets	-	-	-	-	-	-	- %	767	767
Total	**465,650**	**(2,184)**	**-**	**463,466**	**460,828**	**2,638**	**99.43 %**	**550,702**	**545,884**

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2. PUBLIC WORKS INFRASTRUCTURE

		2020/2021							2019/2020	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Sub programme										
PROGRAM SUPPORT	2.1	113,727	7,983	-	121,710	121,710	-	100.00 %	107,048	107,048
PLANNING	2.2	4,365	(243)	-	4,122	4,122	-	100.00 %	4,257	4,257
DESIGN	2.3	-	-	-	-	-	-	- %	-	-
CONSTRUCTION	2.4	222,693	(412)	-	222,281	193,933	28,348	87.25 %	288,713	288,713
MAINTENANCE	2.5	179,641	(5,562)	-	174,079	174,079	-	100.00 %	187,902	187,902
IMMOVABLE ASSET MANAGEMENT	2.6	997,223	(11,106)	5,594	991,711	991,711	-	100.00 %	958,282	933,924
FACILITY OPERATIONS	2.7	262,059	9,340	-	271,399	264,498	6,901	97.46 %	237,517	234,453
Subtotal		**1,779,708**	**-**	**5,594**	**1,785,302**	**1,750,053**	**35,249**	**98.03 %**	**1,783,719**	**1,756,297**
Economic classification										
Current payments										
Compensation of employees										
Salaries and wages		364,976	(5,284)	-	359,692	359,692	-	100.00 %	362,944	362,944
Social contributions		52,760	(302)	-	52,458	52,458	-	100.00 %	51,164	51,164
		417,736	**(5,586)**	**-**	**412,150**	**412,150**	**-**	**100.00 %**	**414,108**	**414,108**
Goods and services										
Advertising		849	(369)	-	480	480	-	100.00 %	87	87
Minor assets		131	(75)	-	56	56	-	100.00 %	773	773
Catering: Departmental activities		609	485	-	1,094	1,094	-	100.00 %	309	309
Consultants: Business and advisory services		10,963	10,659	-	21,622	21,622	-	100.00 %	6,612	6,612
Contractors		360	(64)	-	296	296	-	100.00 %	42	42
Inventory: Fuel, oil and gas		-	-	-	-	-	-	- %	1	1
Inventory: Materials and supplies		108	(108)	-	-	-	-	- %	2,545	2,545
Consumable supplies		1,004	(361)	-	643	643	-	100.00 %	3,837	3,837
Consumable: Stationery, printing and office supplies		142	-	-	142	142	-	100.00 %	248	248
Operating leases		272,041	(45,119)	-	226,922	226,922	-	100.00 %	282,787	264,316
Property payments		324,047	13,548	-	337,595	337,595	-	100.00 %	310,584	304,697
Travel and subsistence		42,979	9,485	-	52,464	52,464	-	100.00 %	13,430	13,430
Training and development		87	(87)	-	-	-	-	- %	-	-
Operating payments		794	(220)	-	574	574	-	100.00 %	1,069	1,069
Venues and facilities		-	21	-	21	21	-	100.00 %	175	175

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	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2. PUBLIC WORKS INFRASTRUCTURE(Continued)									
Rental and hiring	2,000	(1,511)	-	489	489	-	100.00 %	8,017	8,017
	656,114	**(13,716)**	**-**	**642,398**	**642,398**	**-**	**100.00 %**	**630,516**	**606,158**
Interest and rent on land									
Interest (Incl. interest on unitary payments (PPP))	-	223	-	223	223	-	100.00 %	176	176
Compensation of employees	417,736	(5,586)	-	412,150	412,150	-	100.00 %	414,108	414,108
Goods and services	656,114	(13,716)	-	642,398	642,398	-	100.00 %	630,516	606,158
Interest and rent on land	-	223	-	223	223	-	100.00 %	176	176
Total current payments	**1,073,850**	**(19,079)**	**-**	**1,054,771**	**1,054,771**	**-**	**100.00 %**	**1,044,800**	**1,020,442**
Transfers and subsidies									
Provinces and municipalities									
Municipalities									
Municipal bank accounts	539,662	3,162	-	542,824	542,824	-	100.00 %	507,339	507,339
Municipalities	539,662	3,162	-	542,824	542,824	-	100.00 %	507,339	507,339
Households									
Other transfers to households	-	110	-	110	110	-	100.00 %	-	-
	-	**110**	**-**	**110**	**110**	**-**	**100.00 %**	**-**	**-**
Provinces and municipalities	539,662	3,162	-	542,824	542,824	-	100.00 %	507,339	507,339
Households	-	110	-	110	110	-	100.00 %	-	-
Total transfers and subsidies	**539,662**	**3,272**	**-**	**542,934**	**542,934**	**-**	**100.00 %**	**-**	**507,322**
Payments for capital assets									
Buildings and other fixed structures									
Buildings	153,596	21,364	5,594	180,554	152,206	28,348	84.30 %	225,889	225,889
Machinery and equipment									
Transport equipment	-	-	-	-	-	-	- %	5,691	2,627
Other machinery and equipment	12,600	(5,557)	-	7,043	142	6,901	2.02 %	-	-
	12,600	**(5,557)**	**-**	**7,043**	**142**	**6,901**	**2.02 %**	**5,691**	**2,627**
Buildings and other fixed structures	153,596	21,364	5,594	180,554	152,206	28,348	84.30 %	225,889	225,889
Machinery and equipment	12,600	(5,557)	-	7,043	142	6,901	2.02 %	5,691	2,627

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	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2. PUBLIC WORKS INFRASTRUCTURE(Continued)									
Total payments for capital assets	**166,196**	**15,807**	**5,594**	**187,597**	**152,348**	**35,249**	**81.21 %**	**231,580**	**228,516**
Total current payments	1,073,850	(19,079)	-	1,054,771	1,054,771	-	100.00 %	1,044,800	1,020,442
Total transfers and subsidies	539,662	3,272	-	542,934	542,934	-	100.00 %	507,339	507,339
Total payments for capital assets	166,196	15,807	5,594	187,597	152,348	35,249	81.21 %	231,580	228,516
Total	**1,779,708**	**-**	**5,594**	**1,785,302**	**1,750,053**	**35,249**	**98.03 %**	**1,783,719**	**1,756,297**

2.1 PROGRAM SUPPORT

	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	93,596	(2,069)	-	91,527	91,527	-	100.00 %	91,078	91,078
Social contributions	10,583	(486)	-	10,097	10,097	-	100.00 %	9,793	9,793
	104,179	**(2,555)**	**-**	**101,624**	**101,624**	**-**	**100.00 %**	**100,871**	**100,871**
Goods and services									
Advertising	581	(240)	-	341	341	-	100.00 %	18	18
Minor assets	57	(57)	-	-	-	-	- %	-	-
Catering: Departmental activities	-	5	-	5	5	-	100.00 %	40	40
Consultants: Business and advisory services	7,600	9,166	-	16,766	16,766	-	100.00 %	1,426	1,426
Contractors	50	(31)	-	19	19	-	100.00 %	21	21
Consumable supplies	97	(85)	-	12	12	-	100.00 %	28	28
Consumable: Stationery, printing and office supplies	35	(22)	-	13	13	-	100.00 %	90	90
Travel and subsistence	753	1,959	-	2,712	2,712	-	100.00 %	4,238	4,238
Training and development	44	(44)	-	-	-	-	- %	-	-
Operating payments	331	(113)	-	218	218	-	100.00 %	239	239
Venues and facilities	-	-	-	-	-	-	- %	77	77
	9,548	**10,538**	**-**	**20,086**	**20,086**	**-**	**100.00 %**	**6,177**	**6,177**

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	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.1 PROGRAM SUPPORT(Continued)									
Compensation of employees	104,179	(2,555)	-	101,624	101,624	-	100.00 %	100,871	100,871
Goods and services	9,548	10,538	-	20,086	20,086	-	100.00 %	6,177	6,177
Total current payments	**113,727**	**7,983**	**-**	**121,710**	**121,710**	**-**	**100.00 %**	**107,048**	**107,048**
Total current payments	113,727	7,983	-	121,710	121,710	-	100.00 %	107,048	107,048
Total	**113,727**	**7,983**	**-**	**121,710**	**121,710**	**-**	**100.00 %**	**107,048**	**107,048**

2.2 PLANNING

	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	3,776	(168)	-	3,608	3,608	-	100.00 %	3,659	3,659
Social contributions	462	(1)	-	461	461	-	100.00 %	447	447
	4,238	**(169)**	**-**	**4,069**	**4,069**	**-**	**100.00 %**	**4,106**	**4,106**
Goods and services									
Catering: Departmental activities	-	-	-	-	-	-	- %	3	3
Consumable supplies	49	(49)	-	-	-	-	- %	-	-
Consumable: Stationery, printing and office supplies	18	(18)	-	-	-	-	- %	7	7
Travel and subsistence	39	14	-	53	53	-	100.00 %	141	141
Training and development	21	(21)	-	-	-	-	- %	-	-
	127	**(74)**	**-**	**53**	**53**	**-**	**100.00 %**	**151**	**151**
Compensation of employees	4,238	(169)	-	4,069	4,069	-	100.00 %	4,106	4,106
Goods and services	127	(74)	-	53	53	-	100.00 %	151	151
Total current payments	**4,365**	**(243)**	**-**	**4,122**	**4,122**	**-**	**100.00 %**	**4,257**	**4,257**
Total current payments	4,365	(243)	-	4,122	4,122	-	100.00 %	4,257	4,257
Total	**4,365**	**(243)**	**-**	**4,122**	**4,122**	**-**	**100.00 %**	**4,257**	**4,257**

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	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.3 DESIGN									
Economic classification									
Current payments									
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Compensation of employees	-	-	-	-	-	-	- %	-	-
Goods and services	-	-	-	-	-	-	- %	-	-
Interest and rent on land	-	-	-	-	-	-	- %	-	-
Total current payments	**-**	**-**	**-**	**-**	**-**	**-**	**- %**	**-**	**-**
Transfers and subsidies									
Payments for capital assets									
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**- %**	**-**	**-**
Total	**-**	**-**	**-**	**-**	**-**	**-**	**- %**	**-**	**-**

2.4 CONSTRUCTION

	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	67,529	(449)	-	67,080	67,080	-	100.00 %	64,747	64,747
Social contributions	5,115	352	-	5,467	5,467	-	100.00 %	5,378	5,378
	72,644	**(97)**	**-**	**72,547**	**72,547**	**-**	**100.00 %**	**70,125**	**70,125**
Goods and services									
Advertising	166	(166)	-	-	-	-	- %	9	9
Catering: Departmental activities	12	(7)	-	5	5	-	100.00 %	67	67
Inventory: Materials and supplies	108	(108)	-	-	-	-	- %	-	-
Consumable supplies	196	(196)	-	-	-	-	- %	23	23
Consumable: Stationery, printing and office supplies	55	(28)	-	27	27	-	100.00 %	33	33
Travel and subsistence	791	91	-	882	882	-	100.00 %	3,681	3,681

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	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.4 CONSTRUCTION (Continued)									
Training and development	22	(22)	-	-	-	-	- %	-	-
Operating payments	103	(58)	-	45	45	-	100.00 %	77	77
	1,453	**(494)**	**-**	**959**	**959**	**-**	**100.00 %**	**3,890**	**3,890**
Interest and rent on land									
Interest (Incl. interest on unitary payments (PPP))	-	179	-	179	179	-	100.00 %	-	-
Compensation of employees	72,644	(97)	-	72,547	72,547	-	100.00 %	70,125	70,125
Goods and services	1,453	(494)	-	959	959	-	100.00 %	3,890	3,890
Interest and rent on land	-	179	-	179	179	-	100.00 %	-	-
Total current payments	**74,097**	**(412)**	**-**	**73,685**	**73,685**	**-**	**100.00 %**	**74,015**	**74,015**
Payments for capital assets									
Buildings and other fixed structures									
Buildings	148,596	-	-	148,596	120,248	28,348	80.92 %	214,698	214,698
Buildings and other fixed structures	148,596	-	-	148,596	120,248	28,348	80.92 %	214,698	214,698
Total current payments	74,097	(412)	-	73,685	73,685	-	100.00 %	74,015	74,015
Total payments for capital assets	148,596	-	-	148,596	120,248	28,348	80.92 %	214,698	214,698
Total	**222,693**	**(412)**	**-**	**222,281**	**193,933**	**28,348**	**87.25 %**	**288,713**	**288,713**

2.5 MAINTENANCE

	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	122,588	137	-	122,725	122,725	-	100.00 %	130,745	130,745
Social contributions	23,812	(1,992)	-	21,820	21,820	-	100.00 %	21,941	21,941
	146,400	**(1,855)**	**-**	**144,545**	**144,545**	**-**	**100.00 %**	**152,686**	**152,686**
Goods and services									
Inventory: Materials and supplies	-	-	-	-	-	-	- %	2,419	2,419
Consumable supplies	-	77	-	77	77	-	100.00 %	2,891	2,891

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	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.5 MAINTENANCE(Continued)									
Property payments	32,541	(3,885)	-	28,656	28,656	-	100.00 %	29,033	29,033
Travel and subsistence	400	147	-	547	547	-	100.00 %	540	540
Operating payments	300	(156)	-	144	144	-	100.00 %	333	333
	33,241	**(3,817)**	**-**	**29,424**	**29,424**	**-**	**100.00 %**	**35,216**	**35,216**
Compensation of employees	146,400	(1,855)	-	144,545	144,545	-	100.00 %	152,686	152,686
Goods and services	33,241	(3,817)	-	29,424	29,424	-	100.00 %	35,216	35,216
Total current payments	**179,641**	**(5,672)**	**-**	**173,969**	**173,969**	**-**	**100.00 %**	**187,902**	**187,902**
Transfers and subsidies									
Households									
Social benefits	-	110	-	110	110	-	100.00 %	-	-
Households	-	110	-	110	110	-	100.00 %	-	-
Total current payments	179,641	(5,672)	-	173,969	173,969	-	100.00 %	187,902	187,902
Total transfers and subsidies	-	110	-	110	110	-	100.00 %	-	-
Total	**179,641**	**(5,562)**	**-**	**174,079**	**174,079**	**-**	**100.00 %**	**187,902**	**187,902**

2.6 IMMOVABLE ASSET MANAGEMENT

	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	34,439	(311)	-	34,128	34,128	-	100.00 %	33,560	33,560
Social contributions	5,339	(512)	-	4,827	4,827	-	100.00 %	4,840	4,840
	39,778	**(823)**	**-**	**38,955**	**38,955**	**-**	**100.00 %**	**38,400**	**38,400**
Goods and services									
Advertising	102	7	-	109	109	-	100.00 %	43	43
Minor assets	74	(18)	-	56	56	-	100.00 %	765	765
Catering: Departmental activities	570	503	-	1,073	1,073	-	100.00 %	70	70
Consultants: Business and advisory services	3,363	1,493	-	4,856	4,856	-	100.00 %	2,417	2,417

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2.6 IMMOVABLE ASSETS(Continued)									
Contractors	300	(28)	-	272	272	-	100.00 %	8	8
Inventory: Fuel, oil and gas	-	-	-	-	-	-	- %	1	1
Inventory: Materials and supplies	-	-	-	-	-	-	- %	25	25
Consumable supplies	614	(60)	-	554	554	-	100.00 %	873	873
Consumable: Stationery, printing and office supplies	18	84	-	102	102	-	100.00 %	77	77
Operating leases	272,041	(45,119)	-	226,922	226,922	-	100.00 %	282,787	264,316
Property payments	92,662	2,627	-	95,289	95,289	-	100.00 %	99,358	93,471
Travel and subsistence	40,859	7,189	-	48,048	48,048	-	100.00 %	3,807	3,807
Operating payments	60	(34)	-	26	26	-	100.00 %	203	203
Venues and facilities	-	21	-	21	21	-	100.00 %	98	98
Rental and hiring	2,000	(1,511)	-	489	489	-	100.00 %	8,017	8,017
	412,663	**(34,846)**	**-**	**377,817**	**377,817**	**-**	**100.00 %**	**398,549**	**374,191**
Interest and rent on land									
Interest (Incl. interest on unitary payments (PPP))	-	44	-	44	44	-	100.00 %	176	176
Compensation of employees	39,778	(823)	-	38,955	38,955	-	100.00 %	38,400	38,400
Goods and services	412,663	(34,846)	-	377,817	377,817	-	100.00 %	398,549	374,191
Interest and rent on land	-	44	-	44	44	-	100.00 %	176	176
Total current payments	**452,441**	**(35,625)**	**-**	**416,816**	**416,816**	**-**	**100.00 %**	**437,125**	**412,767**
Transfers and subsidies									
Provinces and municipalities									
Municipalities									
Municipal bank accounts	539,662	3,162	-	542,824	542,824	-	100.00 %	507,339	507,339
Municipalities	539,662	3,162	-	542,824	542,824	-	100.00 %	507,339	507,339
Provinces and municipalities	539,662	3,162	-	542,824	542,824	-	100.00 %	507,339	507,339
Payments for capital assets									
Buildings and other fixed structures									
Buildings	5,000	21,364	5,594	31,958	31,958	-	100.00 %	11,191	11,191

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Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.6 IMMOVABLE ASSETS(Continued)									
Machinery and equipment									
Other machinery and equipment	120	(7)	-	113	113	-	100.00 %	2,627	2,627
Buildings and other fixed structures	5,000	21,364	5,594	31,958	31,958	-	100.00 %	11,191	11,191
Machinery and equipment	120	(7)	-	113	113	-	100.00 %	2,627	2,627
Total payments for capital assets	**5,120**	**21,357**	**5,594**	**32,071**	**32,071**	**-**	**100.00 %**	**13,818**	**13,818**
Total current payments	452,441	(35,625)	-	416,816	416,816	-	100.00 %	437,125	412,767
Total transfers and subsidies	539,662	3,162	-	542,824	542,824	-	100.00 %	507,339	507,339
Total payments for capital assets	5,120	21,357	5,594	32,071	32,071	-	100.00 %	13,818	13,818
Total	**997,223**	**(11,106)**	**5,594**	**991,711**	**991,711**	**-**	**100.00 %**	**958,282**	**933,924**

2.7 FACILITY OPERATIONS

	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	43,048	(2,424)	-	40,624	40,624	-	100.00 %	39,155	39,155
Social contributions	7,449	2,337	-	9,786	9,786	-	100.00 %	8,765	8,765
	50,497	**(87)**	**-**	**50,410**	**50,410**	**-**	**100.00 %**	**47,920**	**47,920**
Goods and services									
Advertising	-	30	-	30	30	-	100.00 %	17	17
Minor assets	-	-	-	-	-	-	- %	8	8
Catering: Departmental activities	27	(16)	-	11	11	-	100.00 %	129	129
Consultants: Business and advisory services	-	-	-	-	-	-	- %	2,769	2,769
Contractors	10	(5)	-	5	5	-	100.00 %	13	13
Inventory: Materials and supplies	-	-	-	-	-	-	- %	101	101
Consumable supplies	48	(48)	-	-	-	-	- %	22	22
Consumable: Stationery, printing and office supplies	16	(16)	-	-	-	-	- %	41	41

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Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
2.7 FACILITY OPERATIONS(Continued)									
Property payments	198,844	14,806	-	213,650	213,650	-	100.00 %	182,193	182,193
Travel and subsistence	137	85	-	222	222	-	100.00 %	1,023	1,023
Operating payments	-	141	-	141	141	-	100.00 %	217	217
	199,082	**14,977**	**-**	**214,059**	**214,059**	**-**	**100.00 %**	**186,533**	**186,533**
Compensation of employees	50,497	(87)	-	50,410	50,410	-	100.00 %	47,920	47,920
Goods and services	199,082	14,977	-	214,059	214,059	-	100.00 %	186,533	186,533
Total current payments	**249,579**	**14,890**	**-**	**264,469**	**264,469**	**-**	**100.00 %**	**234,453**	**234,453**
Payments for capital assets									
Machinery and equipment									
Other machinery and equipment	12,480	(5,550)	-	6,930	29	6,901	0.42 %	3,064	-
Machinery and equipment	12,480	(5,550)	-	6,930	29	6,901	0.42 %	3,064	-
Total current payments	249,579	14,890	-	264,469	264,469	-	100.00 %	234,453	234,453
Total payments for capital assets	12,480	(5,550)	-	6,930	29	6,901	0.42 %	3,064	-
Total	**262,059**	**9,340**	**-**	**271,399**	**264,498**	**6,901**	**97.46 %**	**237,517**	**234,453**

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3. EXPANDED PUBLIC WORKS PROGRAMME

		2020/2021							2019/2020	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Sub programme										
PROGRAM SUPPORT	3.1	11,194	(1,432)	-	9,762	9,762	-	100.00 %	11,704	11,386
COMMUNITY DEVELOPMENT	3.2	38,407	2,316	(2,287)	38,436	35,686	2,750	92.85 %	13,753	13,753
INNOVATION AND EMPOWERMENT	3.3	57,405	(354)	(3,307)	53,744	53,744	-	100.00 %	60,294	59,509
CO-ORDINATION AND COMPLIANCE MONITORING	3.4	32,638	(530)	-	32,108	32,108	-	100.00 %	32,959	32,959
Subtotal		**139,644**	**-**	**(5,594)**	**134,050**	**131,300**	**2,750**	**97.95 %**	**118,710**	**117,607**
Economic classification										
Current payments										
Compensation of employees										
Salaries and wages		80,873	(994)	-	79,879	79,879	-	100.00 %	69,565	69,565
Social contributions		8,914	(643)	-	8,271	8,271	-	100.00 %	7,483	7,483
		89,787	**(1,637)**	**-**	**88,150**	**88,150**	**-**	**100.00 %**	**77,048**	**77,048**
Goods and services										
Advertising		500	(472)	-	28	28	-	100.00 %	-	-
Minor assets		162	(149)	-	13	13	-	100.00 %	26	26
Catering: Departmental activities		624	(370)	-	254	254	-	100.00 %	1,303	1,303
Communication		6	(6)	-	-	-	-	- %	3	3
Consultants: Business and advisory services		1,198	(526)	-	672	672	-	100.00 %	2,558	2,558
Inventory: Clothing material and supplies		2,783	2,739	(1,606)	3,916	1,847	2,069	47.17 %	3,364	3,364
Inventory: Materials and supplies		5,050	361	(3,988)	1,423	742	681	52.14 %	3,035	2,263
Consumable supplies		493	1,524	-	2,017	2,017	-	100.00 %	259	259
Consumable: Stationery, printing and office supplies		534	(152)	-	382	382	-	100.00 %	316	316
Property payments		33,103	(1,093)	-	32,010	32,010	-	100.00 %	11,080	11,080
Travel and subsistence		2,885	1,103	-	3,988	3,988	-	100.00 %	13,596	13,596
Training and development		1,634	(846)	-	788	788	-	100.00 %	5,069	5,069
Operating payments		87	(18)	-	69	69	-	100.00 %	208	208
Venues and facilities		-	-	-	-	-	-	- %	485	485
		49,059	**2,095**	**(5,594)**	**45,560**	**42,810**	**2,750**	**93.96 %**	**41,302**	**40,530**

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Figures in Rand thousand	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
3. EXPANDED PUBLIC WORKS(Continued)									
Compensation of employees	89,787	(1,637)	-	88,150	88,150	-	100.00 %	77,048	77,048
Goods and services	49,059	2,095	(5,594)	45,560	42,810	2,750	93.96 %	41,302	40,530
Total current payments	**138,846**	**458**	**(5,594)**	**133,710**	**130,960**	**2,750**	**97.94 %**	**118,350**	**117,578**
Payments for capital assets									
Machinery and equipment									
Transport equipment	-	-	-	-	-	-	- %	360	29
Other machinery and equipment	798	(458)	-	340	340	-	100.00 %	-	-
	798	**(458)**	**-**	**340**	**340**	**-**	**100.00 %**	**360**	**29**
Machinery and equipment	798	(458)	-	340	340	-	100.00 %	360	29
Total current payments	138,846	458	(5,594)	133,710	130,960	2,750	97.94 %	118,350	117,578
Total payments for capital assets	798	(458)	-	340	340	-	100.00 %	360	29
Total	**139,644**	**-**	**(5,594)**	**134,050**	**131,300**	**2,750**	**97.95 %**	**118,710**	**117,607**

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3.1 PROGRAM SUPPORT

	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	8,708	(704)	-	8,004	8,004	-	100.00 %	8,653	8,653
Social contributions	1,289	(299)	-	990	990	-	100.00 %	1,052	1,052
	9,997	**(1,003)**	**-**	**8,994**	**8,994**	**-**	**100.00 %**	**9,705**	**9,705**
Goods and services									
Minor assets	162	(149)	-	13	13	-	100.00 %	6	6
Catering: Departmental activities	59	(56)	-	3	3	-	100.00 %	18	18
Consultants: Business and advisory services	164	-	-	164	164	-	100.00 %	656	656
Consumable supplies	12	(7)	-	5	5	-	100.00 %	12	12
Consumable: Stationery, printing and office supplies	50	(50)	-	-	-	-	- %	66	66
Travel and subsistence	285	(58)	-	227	227	-	100.00 %	829	829
Operating payments	17	(1)	-	16	16	-	100.00 %	25	25
Venues and facilities	-	-	-	-	-	-	- %	69	69
	749	**(321)**	**-**	**428**	**428**	**-**	**100.00 %**	**1,681**	**1,681**
Compensation of employees	9,997	(1,003)	-	8,994	8,994	-	100.00 %	9,705	9,705
Goods and services	749	(321)	-	428	428	-	100.00 %	1,681	1,681
Total current payments	**10,746**	**(1,324)**	**-**	**9,422**	**9,422**	**-**	**100.00 %**	**11,386**	**11,386**
Payments for capital assets									
Machinery and equipment									
Other machinery and equipment	448	(108)	-	340	340	-	100.00 %	318	-
Machinery and equipment	448	(108)	-	340	340	-	100.00 %	318	-
Total current payments	10,746	(1,324)	-	9,422	9,422	-	100.00 %	11,386	11,386
Total payments for capital assets	448	(108)	-	340	340	-	100.00 %	318	-
Total	**11,194**	**(1,432)**	**-**	**9,762**	**9,762**	**-**	**100.00 %**	**11,704**	**11,386**

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3.2 COMMUNITY DEVELOPMENT

	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	760	13	-	773	773	-	100.00 %	719	719
Social contributions	211	(86)	-	125	125	-	100.00 %	146	146
	971	**(73)**	**-**	**898**	**898**	**-**	**100.00 %**	**865**	**865**
Goods and services									
Inventory: Clothing material and supplies	1,283	3,426	(1,606)	3,103	1,034	2,069	33.32 %	1,065	1,065
Inventory: Materials and supplies	2,200	(808)	(681)	711	30	681	4.22 %	436	436
Consumable supplies	350	1,285	-	1,635	1,635	-	100.00 %	114	114
Consumable: Stationery, printing and office supplies	150	(71)	-	79	79	-	100.00 %	80	80
Property payments	33,103	(1,093)	-	32,010	32,010	-	100.00 %	11,080	11,080
Travel and subsistence	-	-	-	-	-	-	- %	75	75
Venues and facilities	-	-	-	-	-	-	- %	28	28
	37,086	**2,739**	**(2,287)**	**37,538**	**34,788**	**2,750**	**92.67 %**	**12,878**	**12,878**
Compensation of employees	971	(73)	-	898	898	-	100.00 %	865	865
Goods and services	37,086	2,739	(2,287)	37,538	34,788	2,750	92.67 %	12,878	12,878
Total current payments	**38,057**	**2,666**	**(2,287)**	**38,436**	**35,686**	**2,750**	**92.85 %**	**13,743**	**13,743**
Payments for capital assets									
Machinery and equipment									
Other machinery and equipment	350	(350)	-	-	-	-	- %	10	10
Machinery and equipment	350	(350)	-	-	-	-	- %	10	10
Total current payments	38,057	2,666	(2,287)	38,436	35,686	2,750	92.85 %	13,743	13,743
Total payments for capital assets	350	(350)	-	-	-	-	- %	10	10
Total	**38,407**	**2,316**	**(2,287)**	**38,436**	**35,686**	**2,750**	**92.85 %**	**13,753**	**13,753**

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3.3 INNOVATION AND EMPOWERMENT

	2020/2021							2019/2020	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	45,435	(329)	-	45,106	45,106	-	100.00 %	36,016	36,016
Social contributions	2,052	(27)	-	2,025	2,025	-	100.00 %	1,748	1,748
	47,487	**(356)**	**-**	**47,131**	**47,131**	**-**	**100.00 %**	**37,764**	**37,764**
Goods and services									
Advertising	400	(372)	-	28	28	-	100.00 %	-	-
Minor assets	-	-	-	-	-	-	- %	20	20
Catering: Departmental activities	231	(51)	-	180	180	-	100.00 %	759	759
Communication	6	(6)	-	-	-	-	- %	3	3
Consultants: Business and advisory services	1,034	(526)	-	508	508	-	100.00 %	1,902	1,902
Inventory: Clothing material and supplies	1,500	(687)	-	813	813	-	100.00 %	2,299	2,299
Inventory: Materials and supplies	2,850	1,169	(3,307)	712	712	-	100.00 %	2,599	1,827
Consumable supplies	131	246	-	377	377	-	100.00 %	133	133
Consumable: Stationery, printing and office supplies	234	11	-	245	245	-	100.00 %	40	40
Travel and subsistence	1,848	1,077	-	2,925	2,925	-	100.00 %	9,426	9,426
Training and development	1,634	(846)	-	788	788	-	100.00 %	5,069	5,069
Operating payments	50	(13)	-	37	37	-	100.00 %	134	134
Venues and facilities	-	-	-	-	-	-	- %	114	114
	9,918	**2**	**(3,307)**	**6,613**	**6,613**	**-**	**100.00 %**	**22,498**	**21,726**
Compensation of employees	47,487	(356)	-	47,131	47,131	-	100.00 %	37,764	37,764
Goods and services	9,918	2	(3,307)	6,613	6,613	-	100.00 %	22,498	21,726
Total current payments	**57,405**	**(354)**	**(3,307)**	**53,744**	**53,744**	**-**	**100.00 %**	**60,262**	**59,490**

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3.3 INNOVATION AND EMPOWERMENT(Continued)									
Payments for capital assets									
Machinery and equipment									
Other machinery and equipment	-	-	-	-	-	-	- %	32	19
Machinery and equipment	-	-	-	-	-	-	- %	32	19
Total current payments	57,405	(354)	(3,307)	53,744	53,744	-	100.00 %	60,262	59,490
Total payments for capital assets	-	-	-	-	-	-	- %	32	19
Total	**57,405**	**(354)**	**(3,307)**	**53,744**	**53,744**	**-**	**100.00 %**	**60,294**	**59,509**

3.4 CO-ORDINATION AND COMPLIANCE MONITORING

	2020/2021							2019/2020	
	Adjusted Appropriation	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual Expenditure**
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	25,970	26	-	25,996	25,996	-	100.00 %	24,177	24,177
Social contributions	5,362	(231)	-	5,131	5,131	-	100.00 %	4,537	4,537
	31,332	**(205)**	**-**	**31,127**	**31,127**	**-**	**100.00 %**	**28,714**	**28,714**
Goods and services									
Advertising	100	(100)	-	-	-	-	- %	-	-
Catering: Departmental activities	334	(263)	-	71	71	-	100.00 %	526	526
Consumable: Stationery, printing and office supplies	100	(42)	-	58	58	-	100.00 %	130	130
Travel and subsistence	752	84	-	836	836	-	100.00 %	3,266	3,266
Operating payments	20	(4)	-	16	16	-	100.00 %	49	49
Venues and facilities	-	-	-	-	-	-	- %	274	274
	1,306	**(325)**	**-**	**981**	**981**	**-**	**100.00 %**	**4,245**	**4,245**
Compensation of employees	31,332	(205)	-	31,127	31,127	-	100.00 %	28,714	28,714
Goods and services	1,306	(325)	-	981	981	-	100.00 %	4,245	4,245
Total current payments	**32,638**	**(530)**	**-**	**32,108**	**32,108**	**-**	**100.00 %**	**32,959**	**32,959**
Total current payments	32,638	(530)	-	32,108	32,108	-	100.00 %	32,959	32,959
Total	**32,638**	**(530)**	**-**	**32,108**	**32,108**	**-**	**100.00 %**	**32,959**	**32,959**

5.2.2. Notes to the Appropriation Statement

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

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

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

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

3. Detail on payments for financial assets

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

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

4.1 Per programme

Amounts in Rand thousand	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
ADMINISTRATION	489,240	486,602	2,638	0.5 %
PUBLIC WORKS INFRASTRUCTURE	1,785,302	1,750,053	35,249	2.0 %
EXPANDED PUBLIC WORKS PROGRAMME	134,050	131,300	2,750	2.1 %

Programme 1: Administration

Under expenditure is due to the late award of the service provider to supply and deliver 100 laptops as a result of the lockdown levels.

Programme 2: Public Works Infrastructure

Under expenditure attributable to the following:

• Late award of both Botha Sigcau and Old FNB building as a result of the lockdown levels;

• Mt Ayliff Cluster offices due to dispute with service provider that led to litigation process;

• Construction of Addo offices delays due to approval process from the Department of Environmental Affairs that took longer than anticipated; and

• Late award of the service provider to install security equipment upgrades in the Bhisho State House and the Eastern Cape Provincial Legislature due to longer process of vetting the bidders in line with the security requirements.

Programme 3: Expanded Public Works Programme

The under expenditure is due to delays in the delivery of procured protective clothing and tools for both NYS and APTCoD as a result of challenges experienced by the manufacturers.

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4.2 Per economic classification

Figures in Rand thousand	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
Current payments				
Compensation of employees	858,394	858,156	238	- %
Goods and services	785,769	783,019	2,750	- %
Interest and rent on land	225	225	-	- %
Transfers and subsidies				
Provinces and municipalities	542,824	542,824	-	- %
Households	14,219	14,219	-	- %
Payments for capital assets				
Buildings and other fixed structures	180,554	152,206	28,348	16 %
Machinery and equipment	26,607	17,306	9,301	35 %

Under expenditure on Goods and services is due to:

Delays in the delivery of procured protective clothing and tools for both NYS and APTCoD as a result of challenges experienced by the manufacturers.

Under expenditure on Buildings and other fixed structures is due to:

• Late award of both Botha Sigcau and Old FNB building as a result of the lockdown levels ;

• Mt Ayliff Cluster offices due to dispute with service provider that led to litigation process; and

• Construction of Addo offices delays due to approval process from the Environmental Affairs that took longer than anticipated.

Under expenditure on Machinery and equipment is due to:

• Late award of the service provider to supply and deliver 100 laptops as a result of the lockdown levels; and

• Late award of the service provider to install security equipment upgrades in the Bhisho State House and the Eastern Cape Provincial Legislature due to longer process of vetting the bidders in line with the security requirements.

4.3 Per conditional grant

Figures in Rand thousand	Final Appropriation	Actual Expenditure
EPWP Conditional Grant	8,644	8,644

5.2.3. Statement of Financial Performance

Eastern Cape Department of Public Works

(Vote number Vote 5)
Annual Financial Statements for the year ended March 31, 2021

Statement of Financial Performance

Figures in Rand thousand	Note(s)	2020/2021	2019/2020
Revenue			
Annual appropriation	1	2,408,592	2,482,897
Expenditure			
Current expenditure			
Compensation of employees	3	858,155	873,722
Goods and services	4	783,020	789,975
Interest and rent on land	5	225	238
Total current expenditure		**1,641,400**	**1,663,935**
Transfers and subsidies			
Transfers and subsidies	7	557,043	529,916
Expenditure for capital assets			
Tangible assets	8	169,512	254,936
Payments for financial assets	6	-	767
Total expenditure		**2,367,955**	**2,449,554**
Surplus for the year		**40,637**	**33,343**
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds			
Annual appropriation		40,637	33,343
		40,637	**33,343**

5.2.4. Statement of Financial Position

Eastern Cape Department of Public Works

(Vote number Vote 5)
Annual Financial Statements for the year ended March 31, 2021

Statement of Financial Position as at March 31, 2021

Figures in Rand thousand	Note(s)	2020/2021	2019/2020
Assets			
Current Assets			
Cash and cash equivalents	9	2,071	-
Prepayments and advances	10	-	19,226
Receivables	11	41,953	20,784
		44,024	**40,010**
Non-Current Assets			
Receivables	11	222	286
Total Assets		**44,246**	**40,296**
Liabilities			
Current Liabilities			
Voted funds to be surrendered to the Revenue Fund	12	40,637	33,343
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	13	305	1,567
Bank overdraft	14	-	1,516
Payables	15	1,889	2,515
		42,831	**38,941**
Total Liabilities		**42,831**	**38,941**
		1,415	**1,355**

5.2.5. Statement of Changes in Net Assets

Eastern Cape Department of Public Works

(Vote number Vote 5)
Annual Financial Statements for the year ended March 31, 2021

Statement of Changes in Net Assets

Figures in Rand thousand	Note	2020/2021	2019/2020
Recoverable revenue			
Opening balance		1,355	1,161
Transfers:			
Irrecoverable amounts written off	6.1	-	-
Debts revised		-	-
Debts recovered (incl in dept receipts)		(203)	(12)
Debts raised		263	206
Closing balance		**1,415**	**1,355**

5.2.6. Cash Flow Statement

Eastern Cape Department of Public Works

(Vote number Vote 5)
Annual Financial Statements for the year ended March 31, 2021

Cash Flow Statement

Figures in Rand thousand	Note(s)	2020/2021	2019/2020
Cash flows from operating activities			
Receipts			
Annual appropriated funds received	1.1	2,408,592	2,482,897
Departmental revenue received	2	16,322	31,176
Interest received	2.2	88	30
		2,425,002	**2,514,103**
Net (increase)/decrease in working capital		(2,569)	145,348
Surrendered to Revenue Fund		(51,930)	(85,445)
Current payments		(1,641,175)	(1,663,697)
Interest paid	5	(225)	(238)
Payments for financial assets		-	(767)
Transfers and subsidies paid		(557,043)	(529,916)
Net cash flow available from operating activities	16	**172,060**	**379,388**
Cash flows from investing activities			
Payments for capital assets	8	(169,512)	(254,936)
Proceeds from sale of capital assets	2.3	915	1,734
(Increase)/decrease in non-current receivables	11	64	50
Net cash flows from investing activities		**(168,533)**	**(253,152)**
Cash flows from financing activities			
Increase/(decrease) in net assets		60	-
Cash and cash equivalents at beginning of period		(1,516)	(127,752)
Net increase/(decrease) in cash and cash equivalents		3,587	126,236
Cash and cash equivalents at the end of the year	17	**2,071**	**(1,516)**

5.2.7. Accounting Policies

Eastern Cape Department of Public Works

(Vote number Vote 5)
Annual Financial Statements for the year ended March 31, 2021

Accounting Policies

Summary of significant accounting policies

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

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

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the annual financial statements and to comply with the statutory requirements of the Public Finance Managment Act, and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1. Basis of preparation

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

2. Going concern

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

3. Presentation currency

Amounts have been presented in the currency of the South African Rand (R1) which is also the functional currency of the department.

4. Rounding

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

5. Comparative information

5.1 Prior period comparative information

Prior period comparative information has been presented in the current year's annual financial statements. Where necessary figures included in the prior period annual 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 annual financial statements.

5.2 Current year comparison with budget

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

6. Revenue

6.1 Appropriated funds

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

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

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

Eastern Cape Department of Public Works
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Accounting Policies

6. Revenue (continued)

6.2 Departmental revenue

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

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

6.3 Accrued departmental revenue

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

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

Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents. Accrued revenue is measured at the fair value of the consideration receivable.

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

7. Expenditure

7.1 Compensation of employees

7.1.1 Salaries and wages

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

7.1.2 Social contributions

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

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

7.2 Other expenditure

Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold (currently R5 000), All other expenditure is classified as current. Rental paid for use of buildings or other fixed structures is classified as goods and services and not as rent on land.

7.3 Accruals and payables not recognised

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

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Accounting Policies

7. Expenditure (continued)

7.4 Leases

7.4.1 Operating leases

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

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

7.4.2 Finance leases

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

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

Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:
- cost, being the fair value of the asset; or
- the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

8. Cash and cash equivalents

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

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

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

9. Prepayments and advances

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

Prepayments and advances are initially and subsequently measured at cost.

Prepayments are derecognised as and when the goods/services are received, or the funds are utilised in a future period longer than one month from payment and the amount is material. Prepayments are expensed if the funds are utilised in a future period less than one month from payment.

10. Loans and receivables

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

11. Financial assets

11.1 Financial assets (not covered elsewhere)

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

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

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Accounting Policies

11. Financial assets (continued)

11.2 Impairment of financial assets

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

12. Payables

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

13. Capital assets

13.1 Immovable capital assets

Immovable assets reflected in the asset register of the department are recorded in the notes to the annual financial statements at cost or fair value where the cost cannot be determined reliably. As per Sectorial Guide: Accounting and Reporting for Immovable Assets, the Department has used Municipal Valuation Rolls (including Supplementary Rolls) or Valuation Certificates to determine fair value in order to alleviate fruitless and wasteful expenditure. Further, per Sectorial guide, where a municipal valuation has not been finalised or not done for specific properties, the effected properties will be reflected at the same value as for exceptional cases (R1 000). Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition.

Only assets which the Department has legal title for is disclosed. This includes properties registered in the name of the Province; properties confirmed vested in terms of Section 239 or item 28(1) to Schedule 6 of the Constitution; and properties registered in historical names of former Model C Schools. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use. On completion of the project the total project cost forms part of the cost of the existing asset or subsequently transferred to the department that is the custodian of the existing asset for recording and is included in the asset register of the department that is accountable for the asset.

The disclosure note to the financial statements represents the consolidated position of the immovable assets under the custodian of Public Works as per Eastern Cape Land disposal Act 7 of 2000. Assets related to the Housing Act 107 of 1997 and the Housing Amendment Act 4 of 2001 remain in the custody of the Department of Human Settlements.

Where documentary evidence supporting completed provincial projects for the current financial year is considered to be either incomplete or inaccurate, the project will not be included.

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

13.2 Movable capital assets

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

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

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1 if its cost cannot be reliable measured and its fair value had not been determined prior to the implementation of the standard.

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

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

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Accounting Policies

13. Capital assets (continued)

13.3 Intangible assets

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

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

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

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

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

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

13.4 Project costs: Work-in-progress

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

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

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

14. Provisions and contingents

14.1 Provisions

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

14.2 Contingent liabilities

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

14.3 Contingent assets

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

14.4 Capital Commitments

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

15. Unauthorised expenditure

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

- approved by the Provincial Legislature with funding and the related funds are received; or

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Accounting Policies

15. Unauthorised expenditure (continued)

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

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

16. Fruitless and wasteful expenditure

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

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

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

17. Irregular expenditure

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

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

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

18. Changes in accounting policies, accounting estimates and errors

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

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

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

19. Events after the reporting date

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

20. Principal-Agent arrangements

The department is party to a principal-agent arrangement for South African Post Office (SAPO). In terms of the arrangement the department is the principal and is responsible for ensuring facilitation of the payment of EPWP beneficiaries. The department is also a party to a principal-agent arrangement for National Department of Education for the ASIDI Schools Projects and the Eastern Cape Department of Education.

In terms of these arrangements the department is the agent and is responsible for addressing the backlog in the eradication of inappropriate school structures and in the provision of basic services to schools that do not have such services.

COEGA Development Agency act as an implementing agent for the delivery of Prestige Infrastructure Projects and any other projects assigned.

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Accounting Policies

20. Principal-Agent arrangements (continued)

All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the annual financial statements where appropriate..

21. 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.

22. Related party transactions

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

23. Inventories

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

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

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

The cost of inventories is assigned by using the first-in-first out cost basis.

24. Public-Private Partnerships

Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.
A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the annual financial statements.

25. Employee benefits

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

26. Key Management Personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and their full compensation is recorded in the notes to the financial statement.

27. Payments for financial assets

Debts are written off when identified as irrecoverable. Debts written off are limited to the amount of savings and /or underspending of appropriated funds. The write off occurs at year end or when funds are available. No provision is made for irrecoverable amounts but an estimate is included in the disclosure notes to the financial statements.
All other losses are recognised when authorisation has been granted for the recognition thereof.

5.2.8. Notes to the Annual Financial Statements

Eastern Cape Department of Public Works

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Notes to the Annual Financial Statements

Figures in Rand thousand	Note	2020/2021	2019/2020

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:

Figures in Rand thousand	2020/2021		2019/2020	
	Final Appropriation	Actual Funds Received	Final Appropriation	Appropriation received
ADMINISTRATION	489,240	489,240	580,468	580,468
PUBLIC WORKS INFRASTRUCTURE	1,779,708	1,779,708	1,783,719	1,783,719
EXPANDED PUBLIC WORKS PROGRAMME	139,644	139,644	118,710	118,710
Total	**2,408,592**	**2,408,592**	**2,482,897**	**2,482,897**

1.2 Conditional grants

	Note	2020/2021	2019/2020
Total grants received	36	8,644	6,814

**Conditional grants are included in the amounts per the Final Appropriation in Note 1.1

2. Departmental revenue

	Note	2020/2021	2019/2020
Sales of goods and services other than capital assets	2.1	15,946	25,716
Interest, dividends and rent on land	2.2	88	30
Sales of capital assets	2.3	915	1,734
Transactions in financial assets and liabilities	2.4	376	5,460
Total revenue collected		**17,325**	**32,940**
Less: Own revenue included in appropriation	13	17,325	32,940
Departmental revenue collected		**-**	**-**

2.1 Sales of goods and services other than capital assets

	2020/2021	2019/2020
Sales by market establishment	14,720	24,641
Administrative fees	295	-
Other sales	931	1,075
Sales of goods and services produced by the department	**15,946**	**25,716**

2.2 Interest, dividends and rent on land

	2020/2021	2019/2020
Interest	88	30

2.3 Sales of capital assets

	Note	2020/2021	2019/2020
Tangible assets			
Buildings and other fixed structures	33	915	1,734

2.4 Transactions in financial assets and liabilities

	2020/2021	2019/2020
Other receipts including recoverable revenue	376	5,460

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Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2020/2021	2019/2020

3. Compensation of employees

3.1 Salaries and wages

Basic salary	585,050	609,661
Performance award	5,595	8,732
Service based	1,303	2,504
Compensative/circumstantial	1,236	522
Other non-pensionable allowances	149,631	139,683
Total	**742,815**	**761,102**

3.2 Social contributions

Employer contributions		
Pension	72,335	74,878
Medical	42,029	37,209
UIF	347	266
Bargaining council	203	195
Insurance	426	72
Total	**115,340**	**112,620**

Total compensation of employees	**858,155**	**873,722**

Average number of employees	2,042	2,281

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Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2020/2021	2019/2020

4. Goods and services

Administrative fees		35	32
Advertising		3,721	2,351
Minor assets	4.1	327	1,665
Bursaries (employees)		2,363	1,534
Catering		1,424	3,086
Communication		12,703	14,212
Computer services	4.2	34,855	40,886
Consultants: Business and advisory services		25,377	15,555
Legal services		6,230	16,470
Contractors		319	53
Audit cost - external	4.3	9,601	8,948
Inventory	4.4	2,636	8,185
Consumables	4.5	4,912	10,422
Operating leases		239,828	279,139
Property payments	4.6	371,862	317,683
Rental and hiring		489	8,017
Travel and subsistence	4.7	62,354	45,722
Venues and facilities		495	3,188
Training and development		2,301	10,894
Other operating expenditure	4.8	1,188	1,933
Total		**783,020**	**789,975**

4.1 Minor assets

Tangible assets			
Machinery and equipment		327	1,665

4.2 Computer services

SITA computer services		26,750	35,949
External computer service providers		8,105	4,937
Total	4	**34,855**	**40,886**

4.3 Audit cost - external

Regularity audits		6,668	8,295
Investigations		2,933	653
Total	4	**9,601**	**8,948**

4.4 Inventory

Clothing material and accessories		1,894	-
Fuel, oil and gas		-	1
Materials and supplies		742	8,184
Total	4	**2,636**	**8,185**

4.5 Consumables

Uniform and clothing		1,910	3,156
Household supplies		1,001	1,922
Building material and supplies		400	175
Communication accessories		-	1,096
IT consumables		160	177
Other consumables		243	94

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Notes to the Annual Financial Statements

Figures in Rand thousand	Note(s)	2020/2021	2019/2020
4. Goods and services (continued)			
Consumable supplies		**3,714**	**6,620**
Stationery, printing and office supplies		1,198	3,802
Total	4	**4,912**	**10,422**
4.6 Property payments			
Municipal services		80,866	88,067
Property management fees		213,856	182,086
Property maintenance and repairs		77,140	47,530
Total	4	**371,862**	**317,683**
4.7 Travel and subsistence			
Local		62,354	45,722
4.8 Other operating expenditure			
Professional bodies, membership and subscription fees		81	104
Resettlement costs		463	1,119
Other		644	710
Total	4	**1,188**	**1,933**
5. Interest and rent on land			
Interest paid		225	238
6. Payments for financial assets			
Debts written off	6.1	-	767
6.1 Debts written off			
Nature of debts written off			
Other debt written off			
Staff debt		-	767
7. Transfers and subsidies			
Provinces and municipalities		542,824	507,339
Households	Annexure 1G	14,219	22,577
Total		**557,043**	**529,916**

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Figures in Rand thousand	Note(s)	2020/2021	2019/2020
8. Expenditure for capital assets			
Tangible assets			
Buildings and other fixed structures	33	152,206	225,889
Machinery and equipment	31	17,306	29,047
		169,512	**254,936**

8.1 Analysis of funds utilised to acquire capital assets - 2020/2021

Figures in Rand thousand	Voted funds	Total
Tangible assets		
Buildings and other fixed structures	152,206	152,206
Machinery and equipment	17,306	17,306
	169,512	**169,512**

8.2 Analysis of funds utilised to acquire capital assets - 2019/2020

Figures in Rand thousand	Voted funds	Total
Tangible assets		
Buildings and other fixed structures	225,889	225,889
Machinery and equipment	29,047	29,047
	254,936	**254,936**

8.3 Finance lease expenditure included in expenditure for capital assets

Tangible assets			
Machinery and equipment		13,019	15,845

9. Cash and cash equivalents

Consolidated paymaster general account		2,071	-

10. Prepayments and advances

Prepayments (Not expensed)	10.2	-	19,226

10.1 Advances paid (Not expensed)

10.2 Prepayments (Not expensed)

Figures in Rand thousand	Note	Balance as at April 1, 2020	Less: Amount expensed in current year	Balance as at March 31, 2021
Goods and services		19,226	(19,226)	-
Total	10	**19,226**	**(19,226)**	**-**

Figures in Rand thousand	Note	Balance as at April 1, 2019	Add: Current year prepayments	Balance as at March 31, 2020
Goods and services		-	19,226	19,226
Total	10	**-**	**19,226**	**19,226**

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Figures in Rand thousand	Note(s)	2020/2021	2019/2020

11. Receivables

Figures in Rand thousand		2020/2021			2019/2020		
	Note	Current	Non-current	Total	Current	Non-current	Total
Claims recoverable	11.1	38,460	-	38,460	17,912	-	17,912
Recoverable expenditure	11.2	237	-	237	23	-	23
Staff debt	11.3	2,658	222	2,880	2,268	286	2,554
Fruitless and wasteful expenditure	11.5	-	-	-	-	-	-
Other debtors	11.4	598	-	598	581	-	581
Total		**41,953**	**222**	**42,175**	**20,784**	**286**	**21,070**

11.1 Claims recoverable

		2020/2021	2019/2020
National departments		566	24
Provincial departments		37,894	17,888
Total	11	**38,460**	**17,912**

Increase in Receivables is due to payments made on behalf of Eastern Cape Department of Health for the Covid-19 expenditure that was not reimbursed.

11.2 Recoverable expenditure (disallowance accounts)

Salary Recoverable Expenditure	237	23

11.3 Staff debt

Staff debtors	2,880	2,554

11.4 Other debtors

Salary Control Accounts	598	581

Impairment is on Staff debt balance.

11.5 Fruitless and wasteful expenditure

Transfers from note 25 Fruitless and wasteful expenditure	-	-

11.6 Impairment of receivables

Estimate of impairment of receivables	2,285	2,415

12. Voted funds to be surrendered to the Revenue Fund

Opening balance	33,343	50,706

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Figures in Rand thousand	Note(s)	2020/2021	2019/2020

12. Voted funds to be surrendered to the Revenue Fund (continued)

Transferred from statement of financial performance		40,637	33,343
Paid during the year		(33,343)	(50,706)
Closing balance		**40,637**	**33,343**

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

Opening balance		1,567	3,366
Own revenue included in appropriation	2	17,325	32,940
Paid during the year		(18,587)	(34,739)
Closing balance		**305**	**1,567**

14. Bank overdraft

Consolidated paymaster general account		-	1,516

15. Payables - current

Advances received	15.1	1,645	2,064
Clearing accounts	15.2	244	451
Total (As restated)		**1,889**	**2,515**

15.1 Advances received

National departments	Annex 8B	1,403	1,918
Provincial departments	Annex 8B	242	146
Total	15	**1,645**	**2,064**

15.2 Clearing accounts

Clearing accounts		244	451

16. Net cash flow available from operating activities

Net surplus as per Statement of Financial Performance		40,637	33,343
Add back non cash/cash movements not deemed operating activities			
(Increase)/decrease in receivables		(21,169)	177,306
(Increase)/decrease in prepayments and advances		19,226	(19,226)
Increase/(decrease) in payables – current		(626)	(12,732)
Proceeds from sale of capital assets		(915)	(1,734)
Expenditure on capital assets		169,512	254,936
Surrenders to Revenue Fund		(51,930)	(85,445)
Own revenue included in appropriation		17,325	32,940
Net cash flow generated by operating activities		**172,060**	**379,388**

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

Consolidated paymaster general account		2,071	(1,516)

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18. Contingent liabilities and contingent assets

18.1 Contingent liabilities

Liable to	Nature			
Housing loan guarantees	Employees	Annex 3A	66	66
Claims against the department		Annex 3B	313,371	282,338
Intergovernmental payables (unconfirmed balances)		Annex 5	1,645	2,064
Other		Annex 3B	28,588	13,387
Total			**343,670**	**297,855**

Claims against the department represent claims instituted against the department and all claims submitted to Legal Services and State Attorney have been included as contingent liabilities as the outcomes of all the open cases are uncertain. The potential extent and outcome of the liability in respect of these legal claims cannot be determined, since it is subject to litigation. A provisional estimate based on the value of the claims have been included in the above note to the financial statements.

Other represents:
Municipalities - Rates and Taxes
These are amounts billed by Municipalities against properties owned by the Department but there is uncertainty either on the timing or amount thereof.
Camping Allowances
The balance refers to payments due to beneficiaries of ex-employees. The department is in the process of locating them to effect payment.
Pending investigation
The balance refers to payments made to a possible incorrect service provider that is under investigation.

Increase in Contingent Liabilities is mainly due to more cases instituted against the department.

The Labour Appeal Court (LAC) declared the salary increases for the 2020/2021 financial year unlawful and invalid. The LAC ruling has been appealed and referred to the Constitutional Court. The ruling by the Constitutional Court will confirm if the department will be obliged to pay the salary increases in dispute.

Lease Rentals - refers to Lease Rental debtors with credit balances.

18.2 Contingent assets

Nature of contingent asset		
OSD	33,242	32,859
2nd & 3rd Notches	337	337
Total	**33,579**	**33,196**

19. Capital commitments

Buildings & other fixtures	72,089	321,423
Machinery & Equipment	2,378	3,775
Total	**74,467**	**325,198**

Included above are projects that are committed for over one year totaling R48 840 000.

The main reason for decrease in Commitments balance is due to projects that were decommitted during 2020/21 financial year which was a result of changes to the needs for office accommodation.

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Figures in Rand thousand	Note(s)	2020/2021	2019/2020

20. Accruals and payables not recognised

20.1 Accruals

Figures in Rand thousand	2020/2021		2019/2020
Listed by economic classification	30 Days	Total	Total
Goods and services	56,836	56,836	28,029
Capital assets	1,047	1,047	9
Other	-	-	1,431
Total	**57,883**	**57,883**	**29,469**

Listed by programme level		
ADMINISTRATION	8,809	6,046
PUBLIC WORKS INFRASTRUCTURE	45,463	22,164
EXPANDED PUBLIC WORKS PROGRAMME	3,611	1,259
Total	**57,883**	**29,469**

20.2 Payables not recognised

Figures in Rand thousand		2020/2021		2019/2020
Listed by economic classification	30 Days	30+ Days	Total	Total
Goods and services	4,815	7	4,822	260
Capital assets	729	-	729	698
Total	**5,544**	**7**	**5,551**	**958**

Listed by programme level		
ADMINISTRATION	1,753	179
PUBLIC WORKS INFRASTRUCTURE	3,378	698
EXPANDED PUBLIC WORKS PROGRAMME	420	81
Total	**5,551**	**958**

21. Employee benefits

Leave entitlement	54,883	38,909
Service bonus	23,222	23,904
Performance awards	4,453	7,064
Capped leave commitments	50,258	60,304
Other	1,062	1,809
Total	**133,878**	**131,990**

The value of negative leave entitlement was R176 000 and 101 days(2019/20:R443 000 and 259 days)

There was no negative capped leave.

The Performance Awards provision has been calculated at 0.5% of the COE budget. This is an allowed alternative as per National Treasury reporting guidelines.

Other relates to Long Service Awards. At this stage the department is not able to reliably measure the long term portion of the long service awards.

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22. Lease commitments

22.1 Operating leases

2020/2021

Figures in Rand thousand	Buildings and other fixed structures	Total
Not later than 1 year	80,499	80,499
Later than 1 year and not later than 5 years	72,736	72,736
Total lease commitments	**153,235**	**153,235**

2019/2020

Figures in Rand thousand	Buildings and other fixed structures	Total
Not later than 1 year	130,205	130,205
Later than 1 year and not later than 5 years	115,324	115,324
Later than five years	4,193	4,193
Total lease commitments	**249,722**	**249,722**

Operating leases consists of various lease agreements for premises leased for the department's use and by other government institutions. The Department entered into operating lease agreements for rental of buildings for office accommodation and residential purposes to house members of parliament

The lease commitments are calculated based on a contractual obligation between the department and the lessor. The lease agreements have an annual escalation of between 0% and 8%. The department is required to maintain the buildings to be in the same conditions as at the start of the lease agreements.

The lease agreements entered into do not allow the department to enter into any sub-leasing agreements.

The reduction is due to some lease agreements that have expired and some that are close to their expiry date.

22.2 Finance leases **

2020/2021

Figures in Rand thousand	Machinery and equipment	Total
Not later than 1 year	11,530	11,530
Later than 1 year and not later than 5 years	9,333	9,333
Total lease commitments	**20,863**	**20,863**

2019/2020

Figures in Rand thousand	Machinery and equipment	Total
Not later than 1 year	13,238	13,238
Later than 1 year and not later than 5 years	13,223	13,223
Total lease commitments	**26,461**	**26,461**

**This note excludes leases relating to public private partnership as they are separately disclosed in Note no 28.

The Department entered into operating/finance lease agreements for rental of photocopiers and white fleet for a period of 36 months and 5yrs respectively. The rentals are fixed for the duration of the period and there is no renewal or purchase or escalation clauses. The maintenance of both photocopy machines and white fleet are done by the lessors.

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22. Lease commitments (continued)

22.3 Operating lease future revenue

2020/2021

Figures in Rand thousand	Buildings and other fixed structures	Total
Not later than 1 year	2,820	2,820
Later than 1 year and not later than 5 years	2,313	2,313
Total operating lease revenue receivable	**5,133**	**5,133**

2019/2020

Figures in Rand thousand	Buildings and other fixed structures	Total
Not later than 1 year	3,753	3,753
Later than 1 year and not later than 5 years	2,709	2,709
Total operating lease revenue receivable	**6,462**	**6,462**

The lease commitments are calculated based on a contractual obligation between the department and the lessee and shows the amount of revenue that is expected to be received. The lease agreements have an annual escalation of between 0% and 10%.

23. Accrued departmental revenue

Sales of goods and services other than capital assets	150,776	159,210
Sale of capital assets	-	487
Other	31,958	6,433
Total	**182,734**	**166,130**

Increase in Accrued Departmental Revenue is mainly due to money with the Property Conveyancor for properties purchased but not yet registered in the name of the Province.

23.1 Analysis of accrued departmental revenue

Opening balance	166,130	111,577
Less: Amounts received	(18,239)	(24,641)
Add: Amounts recognised	34,843	79,194
Total	**182,734**	**166,130**

23.2 Impairment of accrued departmental revenue

Estimate of impairment of accrued departmental revenue	139,434	115,065

Impairment is applied to all debtors' balances that are outstanding for more than 30 days and older.

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Figures in Rand thousand	Note(s)	2020/2021	2019/2020

24. Irregular expenditure

24.1 Reconciliation of irregular expenditure

Opening balance		968,957	1,298,398
Add: Irregular expenditure - relating to current year	24.2	101,271	132,086
Less: Prior year amounts condoned	24.3	(405,386)	(461,527)
Closing balance		**664,842**	**968,957**

Analysis of closing balance			
Current year		101,271	132,086
Prior year		563,571	836,871
Total		**664,842**	**968,957**

The irregular expenditure balance includes R 176 million and R253 million.

The R176 million was submitted for condonation to Provincial Treasury during the 2020/21 financial year and there was no response received as at 31 July 2021.

The R253 million was incurred by the Roads programme before the function was transferred to the Department of Transport. This amount was submitted to the Department of Transport to finalise investigations before requesting condonation from Provincial Treasury.

24.2 Details of current and prior year irregular expenditure – added current year (under determination and investigation)

Figures in Rand thousand		2020/2021
Incident	**Disciplinary steps taken/ Criminal proceedings**	
Goods and services	Under investigation	32,651
Capital expenditure	under investigation	49,039
Lease agreements	Under investigation	19,581
Total		**101,271**

24.3 Details of irregular expenditure condoned

Figures in Rand thousand		2020/2021
Incident	**Condoned by (condoning authority)**	
Goods and services	Provincial Treasury	(208,065)
Lease agreements	Provincial Treasury	(144,068)
Capital expenditure	Provincial Treasury	(53,253)
Total		**(405,386)**

24.4 Details of irregular expenditures under assessment (not included in the main note)

Figures in Rand thousand		2020/2021
Incident		
Lease agreements	Under assessment	96,055

There were lease extensions in the 2020/2021 financial year effected by the executive authority. The actual expenditure is being assessed in terms of the delegated authority and Provincial Treasury approvals.

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Figures in Rand thousand	Note(s)	2020/2021	2019/2020

25. Fruitless and wasteful expenditure

25.1 Reconciliation of fruitless and wasteful expenditure

Opening balance		6,993	11,413
Fruitless and wasteful expenditure - relating to current year	25.2	408	504
Less: Amounts recoverable	11.5	(21)	(3)
Less: Amounts written off	25.4	(4,878)	(4,921)
Closing balance		**2,502**	**6,993**

25.2 Details of current and prior year fruitless and wasteful expenditure – added current year (under determination and investigation)

Figures in Rand thousand		2020/2021
Incident	**Disciplinary steps taken/ Criminal proceedings**	
Non attendance	Under investigation	27
Interest	Under investigation	248
Other	Under investigation	133
Total		**408**

25.3 Details of fruitless and wasteful expenditure recoverable

Figures in Rand thousand	2020/2021
Incident	
Non attendance	3
Car Accident Recovery	18
Total	**21**

25.4 Details of fruitless and wasteful expenditure written off

Figures in Rand thousand	2020/2021
Incident	
Interest	4,878

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Figures in Rand thousand	Note(s)	2020/2021	2019/2020

26. Related party transactions

In kind goods and services provided/received

In kind goods and services provided/received

The Departments below occupy buildings owned or leased by this Department without paying for this service:

Eastern Cape Legislature

Eastern Cape Department of Economic Development & Environment Affairs;

Eastern Cape Department of Education;

Eastern Cape Department of Health;

Eastern Cape Department of Human Settlements;

Eastern Cape Department of Local Government & Traditional Affairs;

Eastern Cape Department of Rural Development & Agrarian Reform;

Eastern Cape Department of Safety & Liaison;

Eastern Cape Department of Social Development;

Eastern Cape Department of Sport Recreation Arts & Culture;

Eastern Cape Department of Transport;

Eastern Cape Office of the Premier; and

Eastern Cape Provincial Planning & Treasury.

27. Key management personnel

	No. of Individuals	2020/2021	2019/2020
Political office bearers (provide detail below)	1	1,978	1,718
Officials:			
Level 15 to 16	1	2,129	3,240
Level 14 (incl. CFO if at a lower level)	18	17,173	16,811
Total		**21,280**	**21,769**

Key management includes acting and appointed Regional Directors at level 13. Number of individuals refers to 2020/21 only.

28. Public Private Partnership

Any guarantees issued by the department are disclosed in Note 18.1.

The PPP is currently registered in terms of National Treasury however the PPP was reactivated in August 2015. Transaction advisors have been appointed for the Project Initiation and Management of the Bhisho Prescinct Project. Expenditure of R448,973.00 for 2020/21 to-date (2019/20: R1,413,178.79) has been incurred for the transaction advisors. The cumulative expenditure from inception on Bhisho Prescinct consultants fees is R44,277,847.40. There has been no contracting between the Department and the Private Party by 31 March 2021

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Figures in Rand thousand	Note(s)	2020/2021	2019/2020

29. Provisions

Municipal Balances under investigation	54,458	47,925
Interest Accrued but not paid	43,621	38,205
Retentions	34,619	34,112
Total	**132,698**	**120,242**

29.1 Reconciliation of movement in provisions - 2020/2021

Figures in Rand thousand	Balances under investigation	Interest accrued but not paid	Retentions	Total provisions
Opening balance	47,925	38,205	34,112	120,242
Increase in provision	6,533	5,416	507	12,456
Closing balance	**54,458**	**43,621**	**34,619**	**132,698**

Balances under investigation as well as interest accrued at year end are classified as Provisions. These are amounts billed by Municipalities against properties owned by the Department but there is uncertainty either on the timing or amount thereof.

Retentions are amounts that are withheld for work done and not paid until satisfaction of conditions specified in the awarded contracts. Once all conditions specified in the contract have been met and the retention is paid, the Department will record the payment as capital expenditure and add it to the cost of the asset.

29.2 Reconciliation of movement in provisions - 2019/2020

Figures in Rand thousand	Balances under investigation	Interest accrued but not paid	Retentions	Total provisions
Opening balance	17,797	38,344	39,612	95,753
Increase in provision	30,128	-	-	30,128
Settlement of provision	-	(139)	(5,500)	(5,639)
Closing balance	**47,925**	**38,205**	**34,112**	**120,242**

30. Events after reporting date

30.1 Adjusting events after reporting date

The department received irregular expenditure condonation from Provincial Treasury in June and July 2021. At year end the department was not aware if the applications for condonation were to be successful. The total irregular expenditure condonation granted to Public Works is R398 million.

30.2 Non-adjusting events after reporting date

There were no non- adjusting events after the reporting date that were identified by management that would affect the operations of the department or the results of those operations significantly.

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31. Movable Tangible Capital Assets

Movement in movable tangible capital assets per asset register for the year ended March 31, 2021

Figures in Rand thousand	Opening balance	Value adjustments	Additions	Disposals	Closing balance
Machinery and equipment					
Transport assets	3,149	(54)	-	380	2,715
Computer equipment	44,592	-	3,729	5,140	43,181
Furniture and office equipment	25,653	-	609	1,463	24,799
Other machinery and equipment	14,733	-	61	1,070	13,724
Total movable tangible capital assets	**88,127**	**(54)**	**4,399**	**8,053**	**84,419**

31.1 Additions

Additions to movable tangible capital assets per asset register for the year ended March 31, 2021

Figures in Rand thousand	Cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
Machinery and equipment				
Transport assets	9,984	(9,984)	-	-
Computer equipment	3,617	-	112	3,729
Furniture and office equipment	609	-	-	609
Other machinery and equipment	3,096	(3,035)	-	61
Total additions to movable tangible capital assets	**17,306**	**(13,019)**	**112**	**4,399**

31.2 Disposals

Disposals of movable tangible capital assets per asset register for the year ended March 31, 2021

Figures in Rand thousand	Non-cash disposal	Total disposals
Machinery and equipment		
Transport assets	380	380
Computer equipment	5,140	5,140
Furniture and office equipment	1,463	1,463
Other machinery and equipment	1,070	1,070
Total disposals of movable tangible capital assets	**8,053**	**8,053**

31.3 Movement for 2019/2020

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

Figures in Rand thousand	Opening balance	Additions	Disposals	Closing balance
Machinery and equipment				
Transport assets	3,149	-	-	3,149
Computer equipment	39,072	5,709	(189)	44,592
Furniture and office equipment	22,908	3,146	(401)	25,653
Other machinery and equipment	10,716	4,017	-	14,733
Total movable tangible capital assets	**75,845**	**12,872**	**(590)**	**88,127**

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31. Movable Tangible Capital Assets (continued)

31.4 Minor assets

Movement in minor assets per the asset register for the year ended as at March 31, 2021

Figures in Rand thousand	Machinery and equipment	Total
Opening balance	26,921	26,921
Additions	111	111
Disposals	(2,980)	(2,980)
Total minor assets	**24,052**	**24,052**

Figures in Rand thousand	Machinery and equipment	Total
Number of R1 minor assets	3,561	3,561
Number of minor assets at cost	14,053	14,053
Total number of minor assets	**17,614**	**17,614**

Movement in minor assets per the asset register for the year ended as at March 31, 2020

Figures in Rand thousand	Machinery and equipment	Total
Opening balance	25,374	25,374
Additions	1,665	1,665
Disposals	(118)	(118)
Total minor assets	**26,921**	**26,921**

Figures in Rand thousand	Machinery and equipment	Total
Number of R1 minor assets	4,435	4,435
Number of minor assets at cost	15,776	15,776
Total number of minor assets	**20,211**	**20,211**

31.5 Movable assets written off

Movable assets written off for the year ended as at March 31, 2021

Figures in Rand thousand	Machinery and equipment	Total
Assets written off	4,278	4,278

31.6 S42 Movable capital assets

Major assets to be transferred in terms of S42 of the PFMA - March 31, 2021

Figures in Rand thousand	Machinery and equipment	Total
No. of Assets	150	150
Value of the assets (R1)	6,231	6,231

Minor assets to be transferred in terms of S42 of the PFMA - March 31, 2021

Figures in Rand thousand	Machinery and equipment	Total
No. of Assets	956	956
Value of the assets (R1)	745	745

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31. Movable Tangible Capital Assets (continued)

Major assets to be transferred in terms of S42 of the PFMA - March 31, 2020

Figures in Rand thousand	Machinery and equipment	Total
No. of Assets	203	203
Value of the assets (R1)	7,296	7,296

Minor assets to be transferred in terms of S42 of the PFMA - March 31, 2020

Figures in Rand thousand	Machinery and equipment	Total
No. of Assets	1,199	1,199
Value of the assets (R1)	1,018	1,018

32. Intangible Capital Assets

Movement in intangible capital assets per asset register for the year ended March 31, 2021

Figures in Rand thousand	Opening balance	Closing balance
Software	4,362	4,362

32.1 Movement for March 31, 2020

Movement in intangible capital assets per asset register for the year ended March 31, 2020

Figures in Rand thousand	Opening balance	Closing balance
Software	4,362	4,362

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33. Immovable Tangible Capital Assets

Movement in immovable tangible capital assets per asset register for the year ended March 31, 2021

Figures in Rand thousand	Opening balance	Additions	Disposals	Closing balance
Buildings and other fixed structures				
Dwellings	409,848	8,038	(5,932)	411,954
Non-residential buildings	7,191,319	300,245	(12,612)	7,478,952
Other fixed structures	235,712	1	-	235,713
	7,836,879	308,284	(18,544)	8,126,619
Heritage assets				
Heritage assets	186,770	1	-	186,771
	186,770	1	-	186,771
Land and subsoil assets				
Land	255,057	2,626	-	257,683
	255,057	2,626	-	257,683
Total immovable tangible capital assets	**8,278,706**	**310,911**	**(18,544)**	**8,571,073**

There are 713 properties included in immovable assets which are disclosed at nominal value of R1000, in line with the Valuation model included as an Annexure in the Immovable Asset guide issued by National treasury. Some of these are classified as Road Reserves and some have no municipal or market values available and the valuation process is yet to be finalised by municipalities.

The department received 66 item 28 (1) certificates during the year, some of these have been assigned a value of R1 000 as an interim arrangement while waiting for the valuation process to be finalised by the relevant municipalities. These properties with R1 000 nominal value have been included in the 713 properties mentioned above.

The department acquired a property for R3 601 775 during 2019/20 financial year, but the property was only registered during the current financial year and the Asset Register has been increased accordingly. During 2021, the department acquired three properties ERF10970 R3 700 000, FARM NO. 124, PORTION 27: R13 320 508 and ERF2. ERF 278 : R14 937 975,5 all of which are not yet registered. Therefore these do not increase the number of properties in the Immovable Asset Register.

The Department also acquired a prefabricated structures (rotating structures) to the value of R450 000. It must be noted that these prefabs are linked to a property in which DPW has not obtained a legal title and as a result this acquisition has not been recorded in the asset register.

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33. Immovable Tangible Capital Assets (continued)

33.1 Additions

Additions to immovable tangible capital assets per asset register for the year ended March 31, 2021

Figures in Rand thousand	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
Buildings and other fixed structures					
Dwellings	3,700	4,436	-	(98)	8,038
Non-residential buildings	148,506	300,245	(120,248)	(28,258)	300,245
Other fixed structures	-	1	-	-	1
	152,206	304,681	(120,248)	(28,356)	308,284
Heritage assets					
Heritage assets	-	1	-	-	1
	-	1	-	-	1
Land and subsoil assets					
Land	-	2,626	-	-	2,626
	-	2,626	-	-	2,626
Total additions to immovable tangible capital assets	**152,206**	**307,309**	**(120,248)**	**(28,356)**	**310,911**

33.2 Disposals

Disposals of immovable tangible capital assets per asset register for the year ended March 31, 2021

Figures in Rand thousand	Sold for cash	Non-cash disposal	Total disposals	Cash received actual
Buildings and other fixed structures				
Dwellings	(541)	(5,391)	(5,932)	915
Non-residential buildings	-	(12,612)	(12,612)	-
Total disposals of immovable tangible capital assets	**(541)**	**(18,003)**	**(18,544)**	**915**

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33. Immovable Tangible Capital Assets (continued)

33.3 Movement for 2019/2020

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

Figures in Rand thousand	Opening balance	Prior period error	Additions	Disposals	Closing balance
Buildings and other fixed structures					
Dwellings	401,948	-	11,190	(3,290)	409,848
Non-residential buildings	6,885,013	392	315,279	(9,365)	7,191,319
Other fixed structures	235,904	-	3	(195)	235,712
	7,522,865	392	326,472	(12,850)	7,836,879
Heritage assets					
Heritage assets	184,943	-	1,827	-	186,770
	184,943	-	1,827	-	186,770
Land and subsoil assets					
Land	255,286	200	171	(600)	255,057
	255,286	200	171	(600)	255,057
Total immovable tangible capital assets	**7,963,094**	**592**	**328,470**	**(13,450)**	**8,278,706**

33.3.1 Prior period error

Figures in Rand thousand	2019/2020
Nature of prior period error	
Relating to 2019/2020	
During 2019/20 Audit, there were some discrepancies in the values of immovable assets which were identified. Management agreed to adjust the financial statements as follows ; 1. Increase the IAR by R340 471.91 in respect of Aliwal North Provincial Cluster Offices , the discrepancies relates to a Cost of Capital Work in Progress which was added during 2015 financial year amounting to R14 469 350,10 instead of R14 809 822,01 as per BAS and voucher review. 2. Increase the IAR by R200 000 to bring the property with logica code 500165 to the correct value as per its valuation roll. 3. Increase the IAR by R51 898 relating to error made in 2015 when capturing the cost of Capital Work in Progress.	592

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33. Immovable Tangible Capital Assets (continued)

33.4 Capital work-in-progress

Capital work-in-progress as at March 31, 2021

Figures in Rand thousand	Note	Opening balance April 1, 2020	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance March 31, 2021
	Annexure 7				
Buildings and other fixed structures		522,819	119,798	(285,212)	357,405

Included in the R285 212 000 are the following:
1. An amount R14 215 047,69 which relates to current year expenditure on completed project linked to a property that has not yet vested with the department, in line with the Guide on Accounting and Reporting for Immovable Assets , this figure has not been capitalized to the Immovable Asset Register as the property recorded in a separate register and reported on in a narrative format.
2. An amount of R270 996 557,8 which has been capitalised to the Immovable Asset Register as it relates to a project that is linked to properties that have vested with Eastern Cape Department of Public Works and Infrastructure.

Figures in Rand thousand	Number of projects		2020/2021
Age analysis on ongoing projects	Planned, Construction started	Planned, Construction not started	Total
0 to 1 Year	12	1	13,835
3 to 5 Years	-	1	27,174
Longer than 5 Years	1	5	316,397
Total	**13**	**7**	**357,406**

Reasons for projects longer than 5 years in Capital WIP.

.

1. Botha Sigcau Building Open Plan Upgrade

The project started in 2012/13 and a contractor was appointed. The Contractor failed to meet with all contractual obligations and the contract was cancelled in 2015 then a new contractor was appointed again in 2019. The project should have been finalised by 31 March 2021 but due to COVID 19, there was no work done for a period of four months. The new estimated completion date is now August 2021.

2. Construction Of Department Of Health Offices

The project was put on tender in 2015/16. There is not contractor awarded at this stage. The project is on hold due to budget constraints

3. Mt Fletcher Cluster Offices

The project was advertised and awarded in 2014/15. Unfortunately the contractor failed to meet all contractual obligations, and the contract was terminated. The project went out on tender again in 2019/20 financial year but the bid was cancelled due to reprioritisation of funds. It is still on hold due to budget constraints.

4. Construction of Offices for DOE (Engcobo)

The project is on hold due to budget constraint.

5. Amathole Regional Workshop

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33. Immovable Tangible Capital Assets (continued)

The project is on hold due to budget constraint.

6. Aliwal North Cluster Offices

The delay in finalising the project was due to budget constraints, strike actions at various intervals and also the national lockdown contributed to the delay as there was no work being done at some point. It is estimated that the project will be completed at the end of May 2021.

Payables not recognised relating to Capital WIP

	2020/2021	2019/2020
[Amounts relating to progress certificates received but not paid at year end and therefore not included in capital work-in-progress]	-	698

Capital work-in-progress as at March 31, 2020

Figures in Rand thousand	Note	Opening balance April 1, 2019	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance March 31, 2020
Buildings and other fixed structures	Annexure 7	402,770	214,698	(94,649)	522,819

Figures in Rand thousand	Number of projects		2019/2020
Age analysis on ongoing projects	Planned, Construction not started	Planned, Construction not started	Total
0 to 1 Year	1	-	720
1 to 3 Year(s)	-	2	16,320
3 to 5 Years	-	4	307,260
Longer than 5 Years	1	4	198,519
Total	**2**	**10**	**522,819**

Reasons for projects longer than 5 years in Capital WIP.]

1. Botha Sigcau Building Open Plan Upgrade

The project started in 2012/13 and a contractor was appointed. The Contractor failed to meet with all contractual obligations and the contract was cancelled in 2015. A new contractor was appointed in 2019. It is expected that the project will be finalized in 2021/22 financial year.

2. Chungwa House General Renovations & Upgrade

Renovations to Chungwa House started in 2014/15 where the contract was awarded to a joint venture that was later disbanded in 2015/16. A new contractor was awarded in 2018/19. The project is expected to be finalized in 2020/21.

3. Construction Of Department Of Health Offices M/A

The project was put on tender in 2015/16. There is not contractor awarded at this stage. The project is on hold due to budget constraints

4. Ex Mary Theressa Hospital Conversion of Nurses home into offices

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33. Immovable Tangible Capital Assets (continued)

The project started in 2012/13 and a contractor was appointed. The Contractor failed to meet with all contractual obligations and that resulted into the cancellation of the contract in 2015. A new contractor was appointed in 2016. It is expected that the project will be finalized in 2020/21 financial year.

5. Mt Fletcher Cluster Offices

The project was advertised and awarded in 2014/15. Unfortunately the contractor failed to meet all contractual obligations, and the contract was terminated. The project went out on tender again in 2019/20 financial year but it is not yet awarded. It has been put on hold due to insufficient budget in 2020/21.

33.5 S42 Immovable assets

Assets to be transferred in terms of S42 of the PFMA - March 31, 2020

Figures in Rand thousand	Number of assets	Value of assets
Buildings and other fixed structures		
Dwellings	41	22,529
Non-residential buildings	7	13,896
Other fixed structures	2	173
	50	36,598
Heritage assets		
Heritage assets	1	1,200
	1	1,200
Land and subsoil assets		
Land	76	18,103
	76	18,103
Total	**127**	**55,901**

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Figures in Rand thousand	Note(s)	2020/2021	2019/2020

33. Immovable Tangible Capital Assets (continued)

33.6 Immovable assets (additional information)

a) Unsurveyed land

	Estimated completion date	Annexure 9	Area	Area
Unsurveyed land	3/31/2026		-	-

b) Properties deemed vested

	Estimated completion date	Annexure 9	Number	Number
Land parcels			5,151	5,138
Facilities				
Schools			2,715	2,692
Clinics			251	248
Hospitals			67	68
Office buildings			90	89
Dwellings			315	322
Storage facilities			11	11
Other			1,702	1,708

c) Facilities on unsurveyed land

	Duration of use	Annexure 9	Number	Number
Schools	life		991	1,050
Clinics	life		179	171
Hospitals	life		3	3
Office buildings	life		19	17
Dwellings	life		8	8
Storage facilities	life		5	4
Other	life		68	48

d) Facilities on right to use land

	Duration of use	Annexure 9	Number	Number
Schools	life		605	594
Clinics	life		169	167
Hospitals	life		35	35
Office buildings	life		47	45
Dwellings	life		200	185
Storage facilities	life		8	8
Other	life		186	187

1. Unsurveyed land Area of unsurveyed land cannot be determined as the land has not been surveyed in order to have an area (extent) calculated. The only known variable is the number of properties to be surveyed. The estimated time of completion of the process of surveying is managed by the Office of the Surveyor General (SG). The Province proactively appointed land surveyors to survey provincial state domestic functions (e.g. schools, colleges, etc.). The approval of the diagrams resides with the SG Office. Due to survey challenges (e.g. old order rights) of underlying land in the former homelands, the survey process in areas of underlying quitrents cannot be implemented

2. Properties from departments of Education and Health are in the process of being verified and have therefore not been included in the table above

3. Duration of use is perpetual for all Immovable Assets.

4. Estimated Completion Date : The department commenced with the 5 year survey plan in the 2020/21 Financial Year.

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Figures in Rand thousand	Note(s)	2020/2021	2019/2020

34. Principal-agent arrangements

34.1 Department acting as the principal

South African Post Office		340	260

The Department uses SAPO as an implementing agent for the facilitation of the payment of EPWP beneficiaries

COEGA Development Agency act as an implementing agent for the delivery of Prestige Infrastructure Projects and any other project assigned for a period of 5 years on owned properties. There were no management fees paid to COEGA Development Agency for 2020/21 financial year.

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

There are no resources under the custodian of the agents in the 2020/21 financial year.

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Figures in Rand thousand	Note(s)	2020/2021	2019/2020

34. Principal-agent arrangements (continued)

34.2 Department acting as the agent

34.2.1 Revenue received for agency activities

National Department of Education	6	4,779

The Department is acting as an agent for the National Department of Basic Education for the ASIDI Schools Projects and the Eastern Cape Department of Education to address the backlog in the eradication of inappropriate school structures and in the provision of basic services to schools that do not have such services.

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

The ultimate beneficiaries of the agreements are the SMME's, consultants and communities. The projects, where possible assist with job creation in the local communities.

34.2.2 Reconciliation of funds and disbursements - 2020/2021

Figures in Rand thousand

Category of revenue or expenditure per arrangement	Total funds received	Expenditure incurred against funds
National Department of Education	-	(457)
Eastern Cape Department of Education (IDA)	152,994	(150,154)
Eastern Cape Department of Health	413,245	(440,088)
Total	**566,239**	**(590,699)**

Reconciliation of funds and disbursements - 2019/2020

Category of revenue or expenditure per arrangement	Total funds received	Expenditure incurred against funds
National Department of Education	-	(3,016)
Eastern Cape Department of Education (IDA)	455,915	(272,108)
Total	**455,915**	**(275,124)**

The balance receivable or payable is disclosed as part of the interdepartmental receivables and payables annexures

34.2.3 Reconciliation of carrying amount of receivables and payables - 2020/2021

Receivables

Figures in Rand thousand

Name of principal entity	Opening balance April 1, 2020	Less: Write-offs/ settlements/ waivers	Cash received on behalf of principal	Closing balance March 31, 2021
Eastern Cape Department of Education	2,598	(2,598)	-	-
Eastern Cape Department of Health	-	440,088	413,245	26,843
Total	**2,598**	**437,490**	**413,245**	**26,843**

Payables

Figures in Rand thousand

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Figures in Rand thousand	Note(s)	2020/2021	2019/2020

34. Principal-agent arrangements (continued)

Name of principal entity	Opening balance April 1, 2020	Expenses incurred on behalf of the principal	Closing balance March 31, 2021
National Department of Basic Education (ASIDI	(1,867)	464	(1,403)
Eastern Cape Department of Education	-	(242)	(242)
Total	**(1,867)**	**222**	**(1,645)**

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

Receivables

Figures in Rand thousand

Name of principal entity	Opening balance April 1, 2019	Less: Write-offs/ settlements/ waivers	Closing balance March 31, 2020
Eastern Cape Department of Education	186,404	(183,806)	2,598

Payables

Figures in Rand thousand

Name of principal entity	Opening balance April 1, 2019	Expenses incurred on behalf of the principal	Closing balance March 31, 2020
National Department of Basic education (ASIDI)	(4,928)	3,061	(1,867)
S.A Post Office	(2)	2	-
Total	**(4,930)**	**3,063**	**(1,867)**

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Figures in Rand thousand	Note(s)	2020/2021	2019/2020

35. Prior period errors

35.1 Correction of prior period errors

Figures in Rand thousand	Note	Amount bef error correction	2019/2020 Prior period error	Restated amount
Assets: (E.g. Receivables, Investments, Accrued departmental revenue, Movable tangible capital assets, etc.)				
Immovable Tangible Capital Assets		8,278,114	592	8,278,706

The R592 000 is as a result of discrepancies identified in the Asset Register which were rectified in 2020/21 financial year.

Figures in Rand thousand	Note	Amount bef error correction	2019/2020 Prior period error	Restated amount
Liabilities: (E.g. Payables current, Voted funds to be surrendered, Commitments, Provisions, etc.)				
Capital Commitments		310,495	14,703	325,198
Payables		3,870	(1,355)	2,515
Net effect		**314,365**	**13,348**	**327,713**

Commitments were understated in the 2019/20 financial year and were corrected in the current financial year.

Error on Payables was due to Current Assets that had negative balances which were allocated to payables. These negative balances were corrected by allocating them to the Statement of Changes in Net Assets.

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36. Statement of Conditional grants received

Figures in Rand thousand	Grant allocation		Spent		2019/2020	
Name of grant	Division of Revenue Act/ Provincial Grants	Total Available	Amount received by department	Amount spent by department	Division of Revenue Act	Amount spent by department
EPWP Incentive Grant	8,644	8,644	8,644	8,644	6,814	6,814

The Department certifies that all transfers in terms of the Division of Revenue Act and were deposited into the primary bank account of the province.

37. Broad based black economic empowerment performance

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

38. COVID 19 Response Expenditure

		2021	2020
Expenditure per economic classification	Annexure 11		
Goods services		54,414	-
		54,414	**-**

5.2.9. Annexures to the Annual Financial Statements

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Annexure 1G

Statement of transfers to Households

Figures in Rand thousand	Transfer Allocation			Expenditure		2019/2020
Households	Adjusted Appropriation Act	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
Transfers						
Employee leave gratuity	4,960	2,543	7,503	7,503	100 %	13,577
Bursaries (Non employees)	5,890	716	6,606	6,606	100 %	8,928
Claims against the state	110	-	110	110	100 %	72
Total	**10,960**	**3,259**	**14,219**	**14,219**		**22,577**

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Annexure 1K

Statement of actual monthly expenditure per grant

Grant Type Figures in Rand thousand	Apr 2020	May 2020	Jun 2020	Jul 2020	Aug 2020	Sep 2020	Oct 2020	Nov 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2021	TOTAL
EPWP Incentive Grant	-	1,243	1,236	1,212	1,204	1,212	1,234	1,284	19	-	-	-	8,644

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Annexure 3A

Statement of financial guarantees issued as at March 31, 2021 - Local

Guarantor institution	Guarantee in respect of	Opening balance April 1, 2020	Closing balance March 31, 2021
Figures in Rand thousand			
	Housing		
ABSA	Housing	66	66
Subtotal		**66**	**66**

Eastern Cape Department of Public Works

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Annexure 3B

Statement of contingent liabilities as at March 31, 2021

Nature of Liability	Opening Balance April 1, 2020	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance March 31, 2021
Figures in Rand thousand					
Claims against the department					
Legal fees	282,338	41,607	(10,574)	-	313,371
Subtotal	**282,338**	**41,607**	**(10,574)**	**-**	**313,371**
Other					
Camping allowance	489	-	-	-	489
Transfers to Municipalities	7,617	8,983	-	-	16,600
Pending Investigation- ASIDI payments	5,281	-	-	-	5,281
Lease rentals	-	6,218	-	-	6,218
Subtotal	**13,387**	**15,201**	**-**	**-**	**28,588**
Total	**295,725**	**56,808**	**(10,574)**	**-**	**341,959**

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Annexures to the Annual Financial Statements

Annexure 4

Claims recoverable

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
Figures in Rand thousand	2020/2021	2019/2020	2020/2021	2019/2020	2020/2021	2019/2020
Department						
Eastern Cape Department of Education (IDA)	-	-	-	2,598	-	2,598
Eastern Cape Department of Education	-	-	2,716	2,751	2,716	2,751
South African Police	-	-	68	-	68	-
Eastern Cape Department of health	-	2,791	28,221	40	28,221	2,831
National Department of Higher Education	-	-	24	24	24	24
KwaZulu-Natal - Human Settlement	-	-	-	1,697	-	1,697
Western Cape - office of the Premier	-	-	-	20	-	20
Eastern Cape Department of Transport	6,783	429	13	6,829	6,796	7,258
Eastern Cape Legislature	-	-	111	111	111	111
KwaZulu Natal-Department of Social Development	-	571	-	-	-	571
National Department of Basic Education	-	-	474	-	474	-
Subtotal	**6,783**	**3,791**	**31,627**	**14,070**	**38,410**	**17,861**
Other Government Entities						
Eastern Cape Rural Development Agency	-	-	51	51	51	51
Total	**6,783**	**3,791**	**31,678**	**14,121**	**38,461**	**17,912**

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Annexure 5

Inter-Government payables

Government Entity	Unconfirmed balance outstanding		Total	
Figures in Rand thousand	2020/2021	2019/2020	2020/2021	2019/2020
Departments				
Current				
National Department of Basic Education (ASIDI)	1,403	1,867	1,403	1,867
EC : Office of the Premier	-	146	-	146
Office of Public Commission	-	51	-	51
EC: Department of Education	242	-	242	-
Subtotal	**1,645**	**2,064**	**1,645**	**2,064**

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Annexure 6

Inventories

Inventories for the year ended March 31, 2021

Figures in Rand thousand	Materials and supplies	Total
Opening balance	382	382
Add: Additions/Purchases - Cash	2,637	2,637
(Less): Issues	(2,636)	(2,636)
Closing balance	**383**	**383**

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Inventories for the year ended March 31, 2020

Figures in Rand thousand	Materials and supplies	Total
Opening balance	70	70
Add: Additions/Purchases - Cash	8,186	8,186
(Less): Issues	(7,874)	(7,874)
Closing balance	**382**	**382**

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Annexure 7

Movement in capital work-in-progress

Movement in capital-work-in progress for the year ended March 31, 2021

Figures in Rand thousand	Opening balance	Current year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
Buildings and other fixed structures				
Non-residential buildings	522,819	119,798	(285,212)	357,405

Figures in Rand thousand Age analysis on ongoing projects	Number of projects Planned, Construction started	 Planned, Construction not started	2020/2021 Total
0 to 1 Year	12	1	13,835
3 to 5 Years	-	1	27,174
Longer than 5 Years	1	5	316,397
Total	**13**	**7**	**357,406**

Reasons for projects longer than 5 years in capital-work-in progress.

1. Botha Sigcau Building Open Plan Upgrade
The project started in 2012/13 and a contractor was appointed. The Contractor failed to meet with all contractual obligations and the contract was cancelled in 2015 then a new contractor was appointed again in 2019. The project should have been finalised by 31 March 2021 but due to COVID 19, there was no work done for a period of four months. The new estimated completion date is now August 2021.
2. Construction Of Department Of Health Offices
The project was put on tender in 2015/16. There is not contractor awarded at this stage. The project is on hold due to budget constraints
3. Mt Fletcher Cluster Offices
The project was advertised and awarded in 2014/15. Unfortunately the contractor failed to meet all contractual obligations, and the contract was terminated. The project went out on tender again in 2019/20 financial year but the bid was cancelled due to reprioritisation of funds. It is still on hold due to budget constraints.
4. Construction of Offices for DOE (Engcobo)
The project is on hold due to budget constraint.

5. Amathole Regional Workshop
The project is on hold due to budget constraint.

6. Aliwal North Cluster Offices
The delay in finalising the project was due to budget constraints, strike actions at various intervals and also the national lockdown contributed to the delay as there was no work being done at some point. It is estimated that the project will be completed at the end of May 2021.

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Annexure 7 (continued)

Movement in capital work-in-progress

Movement in capital work-in-progress for the year ended March 31, 2020

Figures in Rand thousand	Opening balance	Current year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
Buildings and other fixed structures				
Non-residential buildings	402,770	214,698	(94,649)	522,819

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Annexure 8B

Inter-Entity advances received (note 15

Entity	Unconfirmed balance outstanding		Total	
Figures in Rand thousand	2020/2021	2019/2020	2020/2021	2019/2020
National Departments				
Current				
National Department of Education	1,403	1,867	1,403	1,867
Office of Public Commission	-	51	-	51
Provincial Departments				
Current				
Eastern Cape Department of Education	242	-	242	-
Eastern Cape Office of the Premier	-	146	-	146
Total	**1,645**	**2,064**	**1,645**	**2,064**
Current	1,645	2,064	1,645	2,064

Eastern Cape Department of Public Works

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Annexure 9

Additional information on immovable assets

The immovable assets of the Department and its User Departments are recorded in the provincial immovable asset register and management system – Logica. The immovable assets are classified to distinguish between various levels of registration. Properties registered in the name of the Province; properties confirmed vested in terms of Item 28(1) or Section 239 of the Constitution and former state-aided Model C Schools constitute Legal Title as per National Treasury guidelines and is therefore recorded in the financial statements of the Department.
Excluded from this disclosure are provincial deemed-owned immovable fixed assets that fall outside the definition of Legal Title as per the Sector Guide on Accounting of Immovable Assets. These assets include provincial properties not yet confirmed vested in terms of Item 28(1) to Schedule 6 of the Constitution and registered in the name of the Province of the Eastern Cape. As the GIAMA processes unfold these assets will eventually be "uplifted" into the definition of Legal Title and be included in the audited asset register for financial disclosure purposes.

FIXED ASSET RECORDING TYPE	NUMBER
AUDIT ASSETS (legal title)	4,560
UNAUDITED ASSETS (deemed provincial assets)	7,674
	12,234

The number of immovable assets controlled by the Department of Public Works in terms of Act 7 of 2000 and subsequently recorded in Logica as unaudited on the 31 March 2021 was 7 698 (inclusive of State Domestic Functions on municipal land, national land and land of parastatal institutions).
The surveying of provincial state-domestic functions (SDFs) on unsurveyed communal land in the former Transkei and Ciskei remains a challenge. The department has identified 1 320 SDFs still to be surveyed in order to obtain Legal Title.
A total of 3 106 properties were recorded as unregistered state land (no Title Deed issued) in the asset register.
The recorded figures exclude township establishment related assets under the custodianship of the Department of Human Settlements (e.g. RDP-houses and public open spaces in townships).

LAND USE FUNCTION / FACILITY	NUMBER OF FIXED ASSETS
Agricultural Land (grazing, cultivation and irrigation fields)	17
Agricultural Research Stations and Experimental Farms	29
Care Centers and Old Age Homes	11
Cemeteries	21
Churches	4
Clinics	600
Colleges	7
Crèches	16
Education related facilities (schools sport grounds, school hostels, etc.)	57
Forestry (incl. plantations)	-
Halls (incl. community halls)	6
Health related facilities (hostels for health staff, mortuaries, etc.)	1
Hospitals	104
Libraries	31
Museums	7
Nature reserves and protected areas (incl. botanical gardens)	139
Office Buildings	156
Parking Facilities	5
Recreation (incl. opera house, caravan park, golf course, swimming pool, public open space and theatre)	46
Road Camps	56
Road Reserves	71
Residential (formal dwellings)	498
Residential (informal settlements)	9
Residential (traditional rural villages)	16
Retail (formal and informal business premises)	19
Schools (school buildings only)	4,311
Storage Facilities (incl. depots, warehouses, stores, sheds, silos, etc.)	42
Vacant Buildings / Facilities	9

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Vacant Land	704
Miscellaneous (land uses not covered above)	682
	7,674

The Department only has one user agreement in the form of a caretaker agreement with National Public Works for **50** houses in King William's Town. No other written agreements are in place with our Department. In the past User Departments obtained reservation certificates or permission to occupy certificates for schools and clinics where such SDFs are located on communal land. These reservation certificates are now being replaced by formal survey diagrams and eventually state titles.

In addition to the above the Department identified 1 250 provincial state domestic functions (SDFs) located on other public land, i.e. municipal land. The location of schools and clinics and other SDFs on municipal land is a result of historic transfers due to apartheid town planning (i.e. Proclamation R293/1962 townships) and the legacy of the homeland border industrial towns and labour practices. These assets on municipal land are managed by non-official agreements of use and will eventually be transferred back to the Province after proper township establishment and/or land administration processes are completed.

Annexure 11

COVID 19 Response Expenditure
Per quarter and in total

Expenditure per economic classification			2020/2021		
	Q1	Q2	Q3	Q4	TOTAL
Figures in Rand thousand	R1	R1	R1	R1	R1
Goods services	**9,561**	**29,468**	**11,180**	**4,205**	**54,414**
Catering services	-	230	596	94	920
Consumable supplies	40	112	40	49	241
Property payments	2,009	3,869	249	546	6,673
Travel and subsistance	7,512	25,257	10,295	3,516	46,580

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National Anthem

Nkosi sikelel' iAfrika
Maluphakanyisw' uphondo lwayo,
Yizwa imithandazo yethu,
Nkosi sikelela, thina lusapho lwayo.

Morena boloka setjhaba sa heso,
O fedise dintwa le matshwenyeho,
O se boloke, O se boloke setjhaba sa heso,
Setjhaba sa, South Africa - South Africa.

Uit die blou van onse hemel,
Uit diepte van ons see,
Oor ons ewige gebergtes,
Waar die kranse antwoord gee.

Sounds the call to come together,
And United we shall stand,
Let us live and strive for freedom
In South Africa our land.

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