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Part A

GENERAL INFORMATION

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1. DEPARTMENT GENERAL INFORMATION

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2. LIST OF ABBREVIATIONS/ACRONYMS

AGSA	Auditor-General of South Africa
AR	Annual Report
AO	Accounting Officer
AFS	Annual Financial Statements
AOPO	Audit of Predetermined Objectives
APP	Annual Performance Plan
BAS	Basic Accounting System
B-BBEE	Broad Based Black Economic Empowerment
BPCMEP	Batho Pele Change Management Engagement Programme
C-AMP	Custodian Immovable Asset Management Plans
CCTV	Closed-circuit television
CDP	Contractor Development Programme
CFO	Chief Financial Officer
CIDB	Construction Industry Development Board
CIPC	Companies and Intellectual Property Commission
CLO	Community Liaison Officers
COE	Compensation of Employees
COGTA	Cooperative Governance and Traditional Affairs
COVID-19	Coronavirus disease of 2019
CUT	Central University of Technology
CWP	Community Work Programme
DBSA	Development Bank of Southern Africa
DDG	Deputy Director General
DESTEA	Department of Economic, Small Business Development, Tourism and Development Affairs
DORA	Division of Revenue Act
DPME	Department of Planning, Monitoring and Evaluation
DPSA	Department of Public Service and Administration
EPWP	Expanded Public Works Programme
EXCO	Executive Council
4IR	Fourth Industrial Revolution
FOHOD	Forum for Heads of Department
FSPG	Free Stat Provincial Government
FSSI	Free State Sport Institute
FSTDI	Free State Training Development Institute
FTE	Full Time Equivalents
GDP	Gross Domestic Product
HDI	Historically Disadvantaged Individuals
HOD	Head of Department
HRM	Human Resources Management
IAF	Internal Audit Function
IAR	Immovable Asset Register
IDMS	Infrastructure Delivery Management System
ICT	Information and Communication Technology
IDMS	Infrastructure Delivery Management Systems
IESBA	International Ethics Standards Board for Accountants
IAMIS	Integrated Immovable Asset Management Information Solution
IoT	Internet of Things
IPPF	International Professional Practices Framework
ISA	International Standards of Audit
KCM	Key Control Matrix
MCS	Modified Cash Standards
MEC	Member Of Executive Council
MoV	Means of verification
MPSA	Minister for the Public Service and Administration
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NCC	Non-Cash Charge
NDP	National Development Plan
NOSA	National Occupational Safety Association
NSG	National School of government
NYS	National Youth Service
OHS	Occupational Health and Safety
OSD	Occupation Specific Dispensation
PAA	Public Audit Act
PMU	Project Management Unit
PMTEC	Provincial Medium-Term Expenditure Committee

POPIA	Protection of Personal Information Act
PPE	Personal Protective Equipment
PPP	Public Private Partnerships
PROPAC	Portfolio Committee on Public Accounts
PSIRA	Private Security Industry Regulatory Authority
PSLVDC	Provincial State Land Vesting and Disposal Committee
PWD	People living With Disabilities
PW&I	Public Works and Infrastructure
REMC	Risk and Ethics Management Committee
SAICA	South African Institute of Chartered Accountants
SAMTRAC	Safety Management Training Course
SAPS	South African Police Services
SAQA	South African Qualifications Authority
SDIP	Service Delivery Improvement Plan
SCM	Supply Chain Management
SITA	State Information Technology Agency
SHERQ	Safety, Health, Environment, Risk and Quality
SLA	Service Level Agreement
SMME	Small, Medium and Micro Enterprises
TRP	Township Revitalisation Programme
U-IAMP's	User Immovable Asset Management Plans
VHCT	Virtual Health Care Team
VOIP	Voice over Internet Protocol

3. FOREWORD BY THE MEMBER OF EXECUTIVE COUNCIL



We table this annual report against the backdrop of numerous challenges facing the country and government at large. We have all joined hands together towards the defeat of the deadly COVID-19 pandemic and have managed to contain the spread even though the pandemic claimed a number of lives. The emergence of the pandemic has led to a stagnation of the economy and it is incumbent upon us to ensure that we revive and accelerate economic recovery processes. It will take some time but we must steadily transform our economy in order to create sustainable jobs and drive an inclusive growth.

The year 2021 marks 26 years of freedom and democracy. The Freedom Month celebrations offered us an opportunity to reflect on progress made thus far in transforming our society, while also examining our challenges.

As we reflect on the financial period under review, we are fully aware that performance targets can only be achieved when the Department is performing better administratively with the support of the Oversight Bodies.

The Department managed to achieve its objectives for the 2021/2022 financial year by completing and reaching 76% of its planned targets despite the impact of COVID-19 where alert levels varied between adjusted alert level 3 and alert level 1. The positive aspects such as cost saving for lengthy meetings and skills development which were conducted on relevant virtual platforms. In essence, COVID-19 contributed positively towards the enhancement of our IT systems. The Department installed the Video Conferencing Solution and implemented it on the 8th Floor boardroom at OR Tambo House.

The Department currently has about 4 894 properties recorded in the Immovable Asset Register. During the 2021-2022 financial year 16 new properties were added to the Immovable Asset Register. The current value of the Departmental Immovable Asset Register is standing at R11.6 Billion.

During the year under review 116 new staff members were appointed from our allocated compensation budget and 53 of those appointed were females. The nature of appointments ranged from technical personnel to support personal such as Artisan Production, Construction Project Manager, Engineer Production Grade-A and Candidate Architect.

The Department further ensured that support is enhanced with Monitoring and Evaluation, Legal Services and a Web Developing field. In an environment where cybercrime remains a constant threat, a suitably qualified IT Security Specialist was appointed to safeguard IT systems and records. Posts within the Internal Audit and Internal Control assists the Department by strengthening corporate governance and financial controls. The other filled posts addressed various capacity shortcomings within Cleaning, Security, Legal Services, Finance and Supply Chain Management. These appointments were to assist the Department in its service delivery initiatives.

Technical capacity, which operates and resides within Programme 2 has been developed to a satisfactory level with registered professionals in the different disciplines of Construction Project Management, Civil Engineering, Electrical Engineering, Mechanical Engineering, Quantity

Surveying and Architecture. This capacity is supplemented by employees in the occupation class of works inspector, the artisan and tradesman aids.

Any employer of choice is measured against the success of the employee's health and wellness programme. Departmentally, this programme which relies on close co-operation with line management and all role players seeks to achieve a healthy and productive workforce. Central to this, the Departmental health and wellness programme is dealing with the scourge of HIV/AIDS and other sexually transmitted illness/disease as well as TB and other health risks e.g. non-communicable illnesses and mental illness/disorder.

The approved departmental policies address the pillars of Employee Health and Wellness, namely HIV/AIDS, STI and TB Management, Health and Productivity Management, SHERQ (Safety, Health, Environment, Risk and Quality) Management as well as Wellness Management

Line Services training includes amongst others specialised IT training, Construction Estimating (Online). Relevant officials attended the Quantity Surveying Conference to refresh and enhance their skills set.

The Department achieved 99.2% in terms of the 30-day payment standard. By adhering to this standard, the Departments helps suppliers and contractors to sustain their cash flow.

The Department plays a central and decisive role in realizing transformation in the property industry which is dominated by Previously Advantaged Individuals. We can report that the lease portfolio is sitting at 63% (black ownership), 8% (state entities) and 29% (white ownership). The Department continues to provide facilities management services in terms of cleaning and gardening services at 60 buildings across the Free State Province.

South Africa being an electricity and water scarce country, requires strategies to save our resources and our Department being the prime custodian of the Free State government property portfolio, supports green economy strategies through amongst others, water saving initiatives that amounts to both monetary and resource savings.

Provision of office accommodation to client departments and semi-governmental institutions also receives attention. To ensure the best usage of space, utilisation inspections are done on an annual basis and for the year under review, six assessments were conducted and completed to ensure optimal usage and compliance of the space provided.

The Department assesses the condition of its buildings and these reports inform future required building maintenance. Conditional assessments were conducted on 20 buildings and 13 planned maintenance projects were completed.

In order to make townships more accessible, 10 Township Revitalisation Projects were completed and 23 contractors were placed on projects through the Contractor Development Programme. These initiatives ensured that local labour is employed and the scourge of high unemployment is somewhat tackled.

The Premier assured the community of QwaQwa that her administration will renovate the Charles Mopeli Stadium to be a world class facility. The Department accepted this clarion call from the Premier and was tasked to refurbish and upgrade the Charles Mopeli stadium. The first phase of the project has already created more than 100 work opportunities within the community of QwaQwa.

It is anticipated that local economic development will come into play when work is finished at the stadium, with local businesses benefitting drastically from activities of this improved facility.

The Department prioritises the inclusion of youth, women and people with disabilities in its project implementation plans towards a bid to provide income relief to impoverished communities.

EPWP is entrusted with the Provincial management and coordination of all stakeholders towards the successful implementation of the EPWP targets within the Province in relation to the creation of work opportunities. Projects/initiatives and budgets are controlled by the 31 public bodies (eight Provincial Departments and 23 Municipalities) have reported on 56 579 work opportunities created during the year under review. Through six non-infrastructure initiatives, 2 197 work opportunities were created by the Department.

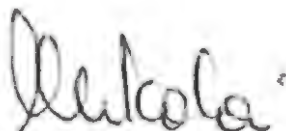
Living in the times of 4IR, government is prone to various cyber-attacks. The Department procured a Synchronised Security Solution to address Departmental protection against cyber security threats in order to protect both departmental reputation and that of its employees, clients and service providers.

There have been serious maintenance backlogs due to budgetary constraints. Budgets have been cut due to COVID-19 response towards the procurement of materials (Personal Protective Equipment (PPE), scanners, sanitizers, masks etc.)

The prevailing weaker than expected economic performance, rising public debt and fiscal deficit as well as decrease in revenue collection stands countrywide in the way of government fiscal sustainability. Due to slow disposal processes (the Department is dependent on other stakeholders), the 2021/2022 revenue target was not achieved. This also have an effect on Departmental operations and payment of municipal debts.

The Department annually ensures that the Custodian Asset Management Plan (C-AMP) is compiled, approved and submitted to the Provincial Treasury for budget purposes. Unfortunately, no funding has been received to implement the plan which contributes to the backlog in maintaining government owned buildings in the province. The Immovable Asset Register is captured on an EXCEL Spreadsheet, as the procurement of an Asset Management system is yet to be concluded.

In assisting Municipalities to sustain service delivery, a total amount of R487.847 million was paid towards payment for municipal services, as well as R458.579 million for property rates, these payments are however not sufficient to pay for all outstanding municipal accounts. The general escalation of property services, water and electricity tariff is estimated at nine (9) percent.



Hon. M. Koloi

Member of the Executive Council for Public Works and Infrastructure

31 July 2022

4. REPORT OF THE ACCOUNTING OFFICER



Mr M.E. Mohlahlo
Accounting Officer
Public Works and Infrastructure

The New Growth Path Framework which is aimed at enhancing growth, employment creation and equity, reflects government's commitment to prioritising employment creation in all economic policies. It identifies strategies that will enable South Africa to grow in a more equitable and inclusive manner while attaining South Africa's developmental agenda.

Central to the New Growth Path is a massive investment in infrastructure as a critical driver of jobs across the economy. The framework identifies investments in five key areas namely: energy, transport, communication, water and housing. Sustaining high levels of public investment in these areas will create jobs in construction, operation and maintenance of

infrastructure.

The new growth path sees the infrastructure programme as a trigger to build a local supplier industry for the manufacture of the components for the build-programme. Specific measures, particularly changes to procurement policy and regulations, are identified to ensure that this is achieved.

In execution of our Departmental mandate, we've aligned and streamlined our deliverables in line with the New Growth Path Framework, our Departmental performance report is recorded as follows:

Overview of the operations of the Department:

The Department has successfully managed to process all allocated and adjusted budget towards payment of utilities. In the 2019/20 financial year the Department introduced water demand management system whereby check meters were installed and leaks were repaired in six pilot sites in the Free State.

A total amount of R29m was realized from the water saving project from April 2021 until end February 2022. The Department has paid a total amount of R244m towards leased contracts for office accommodation. In line with our endeavour to reach the transformation target, we have increased our targets to 62% for the financial year ending 31 March 2022. The Department has reached 63% for transformation as at end March 2022.

The Department has continued to realise savings on operating leases through terminations and accommodating Departments at state owned facilities and through negotiations, the Department will be saving about R197 Million on the office accommodation lease agreement with Transnet. This attestation signifies the impact of positive negotiations with the Landlords.

For the 2021/2022 financial year, the Department allocated an amount of R28 million for planned maintenance and day-to-day maintenance.

During the 2021/2022 financial year the Department managed to complete the following renovation and upgrading projects:

- The renovation of our staff offices in Kroonstad, using our Artisans;

- The renovation and upgrading of the following offices for the Department of Agriculture and Rural Development: Koffiefontein offices; Reddersburg Offices (renovation work done by our Artisans); Smithfield offices and Bothaville offices (both fitted with a 5 kVA Solar PV System with batteries);
- The upgrading of the Premier's boardroom to a state of the Art facility;
- The installation of fence at the Thaba Nchu Ratlou complex;

Significant events

In February 2022, the Department awarded certificates to deserving young people in Metsimaholo Local Municipality. These learners were part of the broader EPWP youth empowerment initiative under the environmental practice. The qualification is fully accredited with the South African Qualification Authority (SAQA) and graded as NQF Level 2. "We are all excited and delighted to be part of this training programme," said one of the participants. These learners can now be utilised by environmental driven Municipalities or local business.

Challenges

The Department is unable to process all outstanding municipal accounts. Though payments are effected, the allocation is not sufficient to pay all municipal accounts and the shortfall have been continuously reported at different fora. However, the Department will continue to request for additional budget during the budget adjustment period.

The tedious and cumbersome process of property disposal has resulted in the Department not reaching its revenue and disposal target.

The annual reduction in the allocation of funds for maintenance affects how quick the Department can deal with the backlog of maintenance.

Overview of the financial results of the Department:

Departmental receipts

Departmental receipts	2021/2022			2020/2021		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts				-	-	-
- Casino taxes				-	-	-
- Horse racing taxes				-	-	-
- Liquor licences				-	-	-
- Motor vehicle licences				-	-	-
Sale of goods and services other than capital assets	42 263	38 726	3 537	41 424	36 950	4 474
Transfers received				-	-	-
Fines, penalties and forfeits				-	-	-
Interest, dividends and rent on land	38	43	(5)	20	46	(26)
Sale of capital assets	9 695	812	8 883	13 223	8 883	4 340
Financial transactions in assets and liabilities	120	258	(138)	116	281	(165)
Total	52 116	39 839	12 277	54 783	46 160	8 623

The Department has not been able to reach its revenue target due to lengthy disposal processes, however we have advertised seventeen (17) commercial vacant sites and thirteen (13) vacant plots on tender for disposal. It is evident that even though the Department commenced early with the disposal process, the proceeds or outcomes will be fruits of the outer years of our Strategic plan.

The Department developed a revenue strategy indicating the number of projects it anticipates to implement and the projects vary from medium to long term.

The Department will be implementing a plan to enhance collection of nominal rentals through direct management. Department amends tariffs such as parking, nominal rentals and cell towers as per the approval by Provincial Treasury.

Free services rendered by the Department:

Free State Department of Agriculture and Rural Development				
Accommodation Currently Occupied by User State Owned				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Fezile Dabi	Heilbron	80 Steyn Street	Office
2	Fezile Dabi	Koppies	40 Fifth Street	Office
3	Fezile Dabi	Kroonstad	4 Station Street	Office
4	Fezile Dabi	Kroonstad	End of Brand Street	Offices and Vet Laboratory
5	Mangaung	Glen: Admin Building	Toggekregen Road Glen	Head Office
6	Mangaung	Glen: Boiler Room Building	Toggekregen Road Glen	Head Office
7	Mangaung	Glen: Chemistry Building	Toggekregen Road Glen	Head Office
8	Mangaung	Glen: H-block Building	Toggekregen Road Glen	Head Office
9	Mangaung	Glen: House no 1 (College)	Toggekregen Road Glen	Head Office
10	Mangaung	Glen: House no 2 (Farmer Settlement)	Toggekregen Road Glen	Head Office
11	Mangaung	Glen: House no 4 (Economics)	Toggekregen Road Glen	Head Office
12	Mangaung	Glen: House no 5 (Economics)	Toggekregen Road Glen	Head Office
13	Mangaung	Glen: House no 6 (Economics)	Toggekregen Road Glen	Head Office
14	Mangaung	Glen: ICT Building	Toggekregen Road Glen	Head Office
15	Mangaung	Glen: IPJ Complex	Toggekregen Road Glen	Head Office
16	Mangaung	Glen: Main Building	Toggekregen Road Glen	Head Office
17	Mangaung	Glen: Rural Development Building	Toggekregen Road Glen	Head Office
18	Mangaung	Glen: Stone Building (Engineering)	Toggekregen Road Glen	Head Office
19	Mangaung	Glen: Stone Building (Land Care)	Toggekregen Road Glen	Head Office
20	Mangaung	Glen: Verbeek Building	Toggekregen Road Glen	Head Office
21	Mangaung	Glen; House no 3 (Disaster Management)	Toggekregen Road Glen	Head Office
22	Lejweleputswa	Boshoff	Church Street	Office
23	Lejweleputswa	Bultfontein	3 Diamant Street	Office
24	Lejweleputswa	Hoopstad	7 Hoof Street	Office
25	Lejweleputswa	Odendaalsrus	26 Kalkkuil Avenue & Maree Street	Office
26	Lejweleputswa	Ventersburg	6 Dalia Street	Office
27	Lejweleputswa	Welkom	c/o Long Road & Mullen Streets	District Office
28	Lejweleputswa	Brandfort	37 Duke Street	Office
29	Mangaung	Bloemfontein	36 A Dan Pienaar Drive	Offices and Vet Laboratory
30	Mangaung	Thaba Nchu	40 Van Riebeck Street	Office
31	Mangaung	Thaba Nchu	23 Nuweleheidsig Street	Offices and Veterinary Clinic
32	Mangaung	Bloemfontein	36A Dan Pienaar Drive	Animal Health Building
33	Mangaung	Tweespruit	Old Traffic Department	Office
34	Thabo Mofutsanyana	Bethlehem	36 Louw Street	Office
35	Thabo Mofutsanyana	Ficksburg	57 Fontein Street	Office
36	Thabo Mofutsanyana	Makeneng	Makeneng Village	Office

Free State Department of Agriculture and Rural Department				
Accommodation Currently Occupied by User State Owned				
No.	District / Metropolitan	Town	Street Address	Asset Type
37	Thabo Mofutsanyana	Makoane	Makoane Village	Office
38	Thabo Mofutsanyana	Mangaung	Mangaung Village	Office
39	Thabo Mofutsanyana	Memel	12 Voortrekker Street	Office
40	Thabo Mofutsanyana	Monontsha	Monontsha Village	Office
41	Thabo Mofutsanyana	Phuthaditjhaba	Old QwaQwa Government Complex	District Offices
42	Thabo Mofutsanyana	Thaba Bosiu	Thaba Bosiu Village	Office
43	Thabo Mofutsanyana	Tseseng	Tseseng Village	Office
44	Thabo Mofutsanyana	Vrede	54 Botha Street	Office
45	Thabo Mofutsanyana	Clocolan	3de Laan Oos 36	Office
46	Thabo Mofutsanyana	Kestell	No 27 Botha Street	Office
47	Thabo Mofutsanyana	QwaQwa Training Centre	Phuthaditjhaba	Office
48	Thabo Mofutsanyana	Harrismith	Old Traffic Department, Lindley Street	Office
49	Mangaung	Dewetsdorp	No 2 Brand Street	Office
50	Xhariep	Fauresmith	Veld Reserve	Office
51	Xhariep	Petrusburg	27 President Street	Office
52	Xhariep	Smithfield	5 Roux Street	Office
53	Xhariep	Gariepdam	Gariep Dam Fish Hatchery	Office
54	Xhariep	Gariepdam	35 Tink Tinkie Street	Office
55	Thabo Mofutsanyana	Reitz	13 President Street	Office

Free State Department of Agriculture and Rural Department				
Accommodation Currently Occupied by User Leased				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Thabo Mofutsanyana	Fouriesburg	48 Robertson Street	Office
2	Fezile Dabi	Parys	71 A loop Street	Office
3	Thabo Mofutsanyana	Senekal	7 Noorder Street	Office
4	Xhariep	Smithfield	House Dou Roux Street 7 9966	Vet clinic
5	Lejweleputswa	Theunissen	27 Le Roux Street	Office
6	Thabo Mofutsanyana	Warden	18 Park Street	Office
7	Fezile Dabi	Sasolburg	Chris Building 18 NJ V/D Merwe Street	Office
8	Xhariep	Trompsburg	35 Molen Street 9913	Office
9	Mangaung	Thaba Nchu	10 Reitz Street (Bokamoso House)	Office
10	Mangaung	Bloemfontein	Old Sanlam Building 71 Maitland Street	Office

Free State Department of Cooperative Governance and Traditional Affairs				
Accommodation Currently Occupied by User State Owned				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Mangaung	Bloemfontein	OR Tambo Building c/o Markgraaff & St. Andrews Streets	Cooperative Governance and Traditional Affairs & Human Settlements Offices
2	Mangaung	Bloemfontein	MANCOFS 121 Dr Belcher Street	Provincial Disaster Management Centre
3	Lejweleputswa	Welkom	Kopano Complex, Long Road, Bedelia	Lejweleputswa District Offices
4	Fezile Dabi	Kroonstad	5 Station Street	Fezile Dabi District Offices

Free State Department of Human Settlements				
Accommodation Currently Occupied by User State Owned				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Mangaung	Bloemfontein	c/o St Andrew & Markgraaf Streets	OR Tambo House
2	Thabo Mofutsanyana	QwaQwa	Mampoi Street	Public Works Regional office
3	Fezile Dabi	Kroonstad	5 Station Street	Fezile Dabi District Office
4	Lejweleputswa	Welkom	Tempest Street, Welkom	Kopano Complex and Musicon

Free State Department of Cooperative Governance and Traditional Affairs and Human Settlements				
Accommodation Currently Occupied by User Leased				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Mangaung	Bloemfontein	LM Building 7 Elizabeth Street	Local Government Branch / COGTA & Districts Offices
2	Mangaung	Bloemfontein	Old Sanlam Building 71 Maitland Street	Free State House of Traditional Leaders & HS Offices
3	Fezile Dabi	Sasolburg	Mora House Erf No. 15 Sasolburg CBD	Fezile Dabi District Offices

Free State Department of Economic, Small Business Development, Tourism and Environmental Affairs				
Accommodation Currently Occupied by User State Owned				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Xhariep	Fauresmith	Kalkfontein	Kalkfontein Nature Reserve
2	Xhariep	Gariëpdam	Gariëpdam	Gariëp Fish Hatchery
3	Xhariep	Gariëpdam	Gariëpdam	Gariëp Nature Reserve
4	Xhariep	Bethulie	Tussen Die Riviere	Tussen Die Riviere Nature Reserve
5	Mangaung	Wepener	Caledon Nature Reserve	Caledon Nature Reserve
6	Lejweleputswa	Hoopstad	Sandveld Nature Reserve	Sandveld Nature Reserve
7	Lejweleputswa	Theunissen	Erfnisdam Nature Reserve	Erfnisdam Nature Reserve
8	Lejweleputswa	Ventersburg	Willem Pretorius Nature Reserve	Willem Pretorius Nature Reserve
9	Lejweleputswa	Welkom	178 Constantia Street Welkom	Environmental Awareness and SMME
10	Fezile Dabi	Koppies	Koppiesdam	Koppiesdam Nature Reserve
11	Thabo Mofutsanyana	Memel	Seekoeivlei	Seekoeivlei Nature Reserve
12	Thabo Mofutsanyana	Harrismith	Sterkfontein	Sterkfontein Nature Reserve
13	Fezile Dabi	Frankfort	Jim Fouche	Jim Fouche Resort
14	Thabo Mofutsanyana	Phuthaditjhaba	Fika Patso	Fika Patso Resort
15	Xhariep	Phillipolis	P.K. Le Roux Dam	P.K. Le Roux Dam Nature Reserve
16	Mangaung	Botshabelo	Rustfontein	Rustfontein Nature Reserve
17	Mangaung	Bloemfontein	Bethurst	Bathurst Nature Reserve
18	Mangaung	Bloemfontein	Mockes Dam	Philip Sanders Resort
19	Mangaung	Bloemfontein	Lessing Avenue, Estoire	Karee Nursery
20	Mangaung	Bloemfontein	Bultfontein Rd	Soetdoring Nature Reserve
21	Mangaung	Thaba Nchu	Groothoek Dam Rd	Maria Moroka Nature Reserve

Free State Department of Economic, Small Business Development, Tourism and Environmental Affairs				
Accommodation Currently Occupied by User Leased				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Mangaung	Bloemfontein	St. Andrew Street	Offices
2	Mangaung	Thaba Nchu	208 Ratlou Complex J.S Moroka Street	Offices
3	Fezile Dabi	Parys	Schulbach Street	Offices

Free State Department of Education				
Accommodation Currently Occupied by User State Owned				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Mangaung	Bloemfontein	Fidel Castro Building, Elizabeth Street	Offices (Head Office)
2	Mangaung	Bloemfontein	DF Malherbe Road	Offices (Head Office)
3	Fezile Dabi	Sasolburg	Sasolburg	Offices (District)
4	Fezile Dabi	Sasolburg	Sasolburg	Offices (District)
5	Thabo Mofutsanyana	Phuthaditjhaba	Phuthaditjhaba	Offices (District)
6	Thabo Mofutsanyana	Phuthaditjhaba	Phuthaditjhaba	Offices (District)
7	Thabo Mofutsanyana	Bethlehem	Bethlehem	Public Works Regional Offices (District)
8	Mangaung	Bloemfontein	Old Eureka Hostel Lombard Street	New printing and packaging facility
9	Thabo Mofutsanyana	Ladybrand	Ladybrand	Satellite
10	Fezile Dabi	Kroonstad	Senekal Street, Kroonstad	Child Guidance Clinic
11	Fezile Dabi	Sasolburg	Totius Street, Sasolburg	Child Guidance Clinic
12	Thabo Mofutsanyana	Bethlehem	High Street	Child Guidance Clinic
13	Lejweleputswa	Welkom	Heidelaan, Welkom	Child Guidance Clinic
14	Thabo Mofutsanyana	Phuthaditjhaba	Phuthaditjhaba	Educational Resource Center
15	Fezile Dabi	Kroonstad	Kroonstad	Educational Resource Center
16	Mangaung	Thaba Nchu	Thaba Nchu	Educational Resource Center

Free State Department of Education				
Accommodation Currently Occupied by User Leased				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Mangaung	Bloemfontein	c/o Markgraaf and St Andrew Street (Thuto House)	Offices
2	Mangaung	Bloemfontein	Selbourne Avenue, Bloemfontein	Offices
3	Mangaung	Bloemfontein	62 Maitland Street, Central Business Area, Bloemfontein	Offices
4	Mangaung	Bloemfontein	65 Maitland Street, Bloemfontein	Offices
5	Mangaung	Bloemfontein	Fort Drury 110 Selbourne Avenue, Bloemfontein	Offices
6	Thabo Mofutsanyana	Reitz	Pres.C.R.Swart Street, Reitz	Offices
7	Mangaung	Thaba Nchu	FDC Building, Selosha	Offices
8	Lejweleputswa	Welkom	Absa Building c/o Reinert and Tulbagh Street, Welkom	Offices
9	Lejweleputswa	Welkom	Woolworths Building Mooi Street, Welkom	Offices

Free State Department of Education				
Accommodation Currently Occupied by User Leased				
No.	District / Metropolitan	Town	Street Address	Asset Type
10	Mangaung	Bloemfontein	Sinodale Building 157 St Andrew Street, Bloemfontein	Offices
11	Mangaung	Bloemfontein	St Andrew Street, Bloemfontein	Offices
12	Mangaung	Bloemfontein	Murry Street (portion of Erf 162)	Offices
13	Mangaung	Bloemfontein	N8 Gateway office Park	Offices

Free State Department of Health				
Accommodation Currently Occupied by User State Owned				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Mangaung	Bloemfontein	Kolbe Street, Willows	Office component of training facility
2	Mangaung	Bloemfontein	7th Roth Avenue, Willows	Hospital
3	Mangaung	Thaba Nchu	J.S. Moroka Hospital	District Hospital, Offices
4	Mangaung	Thaba Nchu	No 2 Station Road	Office building
5	Fezile Dabi	Kroonstad	Hospital Road	Old Hospital converted to: Offices, Accommodation, Vehicle Workshop, Parking GG vehicles, EMS station
6	Lejweleputswa	Welkom	Kopano Grounds, Long Road	Office Building
7	Thabo Mofutsanyana	Bethlehem	No 2 Station Road	Office Complex
8	Thabo Mofutsanyana	Phuthaditjhaba	Mampoi Street	Office Complex
9	Mangaung	Bloemfontein	Rhodes Ave, Oranjesig	District offices, Free State Psychiatric complex
10	Xhariep	Koffiefontein	100 Jacobsdal Road	Offices
11	Xhariep	Springfontein	Site 480	Offices
12	Xhariep	Trompsburg	Access road from N1	Office building
13	Xhariep	Zastron	1 Reichenberg Street	District Hospital, Offices

Free State Department Of Health				
Accommodation Currently Occupied By User: Leased				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Thabo Mofutsanyana	Bethlehem	Nic Alberts Building	Office
2	Fezile Dabi	Sasolburg	UBS ABSA Building	Office
3	Xhariep	Springfontein	Site 480	Office
4	Thabo Mofutsanyana	Senekal	Noorder Street Senekal	Office
5	Mangaung	Bloemfontein	Hanger Street, Bophelo House	Office

Free State Department of Police, Roads And Transport				
Accommodation Currently Occupied by User: State Owned				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Thabo Mofutsanyana	Bethlehem	Kestel Road	Civil T/Mofutsanyana
2	Thabo Mofutsanyana	Bethlehem	Kestel Road	Civil Beth Dihlabeng
3	Thabo Mofutsanyana	Bethlehem	Kestel Road	Revenue T/Mofutsanyana
4	Thabo Mofutsanyana	Kestell	Kestel Road	Traffic T/Mofutsanyana
5	Thabo Mofutsanyana	Ficksburg	Van Jaarsveld	Testing Station
6	Thabo Mofutsanyana	Harrismith	Lindley Street	Office
7	Thabo Mofutsanyana	QwaQwa	Industrial area	QwaQwa M/Phofung
8	Thabo Mofutsanyana	QwaQwa	Industrial area	Testing Station
9	Thabo Mofutsanyana	QwaQwa	Industrial area	T/Mofutsanyana Warehouse
10	Xhariep	Bethulie	Industrial area	Xhariep District Centre Revenue

Free State Department of Police, Roads And Transport				
Accommodation Currently Occupied by User: State Owned				
No.	District / Metropolitan	Town	Street Address	Asset Type
11	Mangaung	Bloemfontein	26 Hartley Street	Roads Infrastructure
12	Mangaung	Bloemfontein	28 Hartley Street	Roads Infrastructure
13	Mangaung	Bloemfontein	5 Hartley Street	Xhariep/Motheo Warehouse
14	Lejweleputswa	Boshoff	Fontein Street	Roads Office
15	Lejweleputswa	Boshoff	5 Fontein Street	Registration Administration office
16	Lejweleputswa	Bothaville	Greyling Street	Roads Office
17	Lejweleputswa	Bothaville	Skoupad	Registration Administration office
18	Lejweleputswa	Bothaville	Road exiting Bothaville	Weighbridge
19	Lejweleputswa	Brandfort	1 Wes Street	Registration Administration office
20	Mangaung	Botshabelo	Industrial Area	Motheo District Centre (DC) Revenue
21	Lejweleputswa	Bultfontein	Industrial Area	Roads Camp
22	Lejweleputswa	Bultfontein	Joubert Street	Registration office
23	Thabo Mofutsanyana	Clocolan	Maluti Street	Traffic Office
24	Lejweleputswa	Dealesville	Market Street	Registration Administration office
25	Mangaung	Dewetsdorp	Stasieweg	Roads Infrastructure
26	Mangaung	Dewetsdorp	Station Street	Motheo DC Revenue
27	Xhariep	Edenburg	Reitz Steyn Street	Xhariep DC Revenue
28	Fezile Dabi	Edenville	R/A Police Station Grounds	Registration and Traffic Offices
29	Thabo Mofutsanyana	Excelsior	Fourie Street	Motheo DC Revenue
30	Xhariep	Fauriesmith	1 Piet Retief Street	Roads Infrastructure
31	Xhariep	Fauriesmith	60 Voortrekker Street	Xhariep DC Revenue
32	Fezile Dabi	Frankfort	22 Viljoenstreet	Road Office
33	Fezile Dabi	Frankfort	22 Viljoenstreet	Registration and Traffic Offices
34	Fezile Dabi	Heilbron	80 Steilstreet	Road Office
35	Fezile Dabi	Heilbron	80 Steyn Street	Registration and Traffic Offices
36	Lejweleputswa	Hennenman	Voortrekker Street	Welkom Roads Camp
37	Lejweleputswa	Hennenman	12 Hertzog Street	Registration office
38	Lejweleputswa	Hertzogville	Industrial Area	Roads Camp
39	Lejweleputswa	Hertzogville	514 van Niekerk Street	Registration Administration office
40	Lejweleputswa	Hoopstad	Prins George Street, Hoopstad	Roads Office
41	Lejweleputswa	Hoopstad	Kruger Ave	Registration Administration office
42	Xhariep	Jacobsdal	Hoop Street	Xhariep DC Revenue
43	Xhariep	Koffiefontein	1 Edward Ave	Xhariep DC Revenue
44	Fezile Dabi	Koppies	R/A c/o 1st and Station Street	Registration and Traffic Offices
45	Fezile Dabi	Kroonstad	10th Avenue Industria	Regional Roads Office
46	Fezile Dabi	Kroonstad	10th Avenue Industria	Roads Office
47	Fezile Dabi	Kroonstad	10th Avenue Industria	Area Offices
48	Fezile Dabi	Kroonstad	10th Avenue Industria	Training Centre
49	Fezile Dabi	Kroonstad	10th Avenue Industria	S.P.I Offices
50	Fezile Dabi	Kroonstad	10th Avenue Industrial	Warehouse
51	Fezile Dabi	Kroonstad	10 Orpen Street	Registration and Traffic Offices
52	Fezile Dabi	Kroonstad	Next to Ultra City on N1	Weighbridge
53	Thabo Mofutsanyana	Ladybrand	Voortrekker Street	Roads Infrastructure
54	Thabo Mofutsanyana	Ladybrand	Voortrekker Avenue	Motheo DC Revenue
55	Mangaung	Bloemfontein	301 Church Street	Registration and Traffic Offices
56	Lejweleputswa	Odendaalsrus	Elizabeth Street	Registration office
57	Fezile Dabi	Parys	R/A King Street	Registration and Traffic Offices
58	Xhariep	Petrusburg	1 Bamard Street	Roads Infrastructure
59	Xhariep	Petrusburg	Allen Street	Xhariep DC Revenue
60	Xhariep	Phillippolis	Colesberg Road	Xhariep DC Revenue
61	Xhariep	Reddersburg	Brand Street	Xhariep DC Revenue

Free State Department of Police, Roads And Transport				
Accommodation Currently Occupied by User: State Owned				
No.	District / Metropolitan	Town	Street Address	Asset Type
62	Xhariep	Rouxville	33 Louw Street	Roads Infrastructure
63	Xhariep	Rouxville	Roux Street	Xhariep DC Revenue
64	Fezile Dabi	Sasolburg	c/o Klasie Havinga and Zevenfontein Street	Registration and Traffic Offices
65	Fezile Dabi	Sasolburg	1st Floor Pres Building Fichardt Street	DLTC Offices
66	Mangaung	Thaba Nchu (Selosasha)	3079 Tshabang Street	Roads Office
67	Thabo Mofutsanyana	Senekal	Nywerheid lane Street	Civil Senekal Setsoto
68	Xhariep	Smithfield	Oettle Street	Xhariep DC Revenue
69	Xhariep	Springfontein	C/O Settlers and Piet Retief	Xhariep DC Revenue
70	Fezile Dabi	Steynsrus	1 King Edward Street	Registration and Traffic Offices
71	Mangaung	Thaba Nchu	Station Street	Motheo DC Revenue
72	Lejweleputswa	Theunissen	Woltemade Street	Registration office
73	Xhariep	Trompsburg	14 Jan Street	Roads Infrastructure
74	Xhariep	Trompsburg	Jan Street	Xhariep DC Revenue
75	Lejweleputswa	Ventersburg	Jannie Fourie Street	Registration office
76	Fezile Dabi	Viljoenskroon	R/A 3 Viel Street South	Registration and Traffic Offices
77	Thabo Mofutsanyana	Villiers	R/A de Beer Street	Registration and Traffic Offices
78	Lejweleputswa	Virginia	57 Highlands Street	Registration office
79	Thabo Mofutsanyana	Vrede	16 Brand Street	Testing Station
80	Fezile Dabi	Vredefort	R/A Water Street	Registration and Traffic Offices
81	Lejweleputswa	Welkom	Heeren Street	Registration Offices
82	Lejweleputswa	Welkom	Heeren Street	Traffic Office
83	Mangaung	Wepener	Bergend Street	Motheo DC Revenue
84	Lejweleputswa	Wesselsbron	Second Ave	Registration Administration office
85	Lejweleputswa	Winburg	Old Ventersburg road	Area and Regional Office
86	Lejweleputswa	Winburg	Old Ventersburg road	Roads Office
87	Lejweleputswa	Winburg	1 Leech Street	Registration Administration office
88	Lejweleputswa	Winburg	Old Ventersburg road	Warehouse
89	Xhariep	Zastron	Magaleen Bridge Street	Xhariep DC Revenue

Free State Department of Police, Roads and Transport				
Accommodation Currently Occupied By User: Leased				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Mangaung	Bloemfontein	Perm Building, 45 Maitland Street	Offices
2	Mangaung	Bloemfontein	Anchor Building, c/o Nelson Mandela & East Burger Street	Anchor Building
3	Fezile Dabi	Sasolburg	Fichardt Building, Berjan Building, Fichardt Street	Sasolburg
4	Fezile Dabi	Parys	48 Loop Street	Offices
5	Fezile Dabi	Parys	52 Loop Street	Offices

Free State Department of Public Works and Infrastructure				
Accommodation Currently Occupied by User: State Owned				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Mangaung	Bloemfontein	OR Tambo House, c/o St Andrew & Markgraaf Streets	Offices
2	Mangaung	Bloemfontein	Fidel Castro building , Elizabeth Street	Offices
3	Mangaung	Bloemfontein	Medfontein , St Andrew Street	Offices
4	Mangaung	Bloemfontein	18 Hartley Street, Hamilton	Hamilton / Old Furniture Factory
5	Fezile Dabi	Kroonstad	Works offices, 63 Orange Street, Kroonstad	Offices
6	Fezile Dabi	Kroonstad	Works offices, 22 Botha Street, Kroonstad	Offices
7	Lejweleputswa	Welkom	Kopano Hospital, Works Offices Tempest Street, Welkom	Offices
8	Xhariep	Trompsburg	15 Dawid Street, Trompsburg	Security Offices
9	Thabo Mofutsanyana	QwaQwa	Qwaqwa Regional office, Mampoi Street	Offices
10	Thabo Mofutsanyana	Bethlehem	Bethlehem Regional Offices 4 Johan Blignaut Street	Offices
11	Mangaung	Thaba Nchu	Thaba Nchu Offices Seloshesha Unit 1	Offices

Free State Department of Public Works and Infrastructure				
Accommodation Currently Occupied By User: Leased				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Mangaung	Bloemfontein	SALGA Building, C/O Maitland and East Burger Street	Offices
2	Mangaung	Bloemfontein	239 Belcher Road, Bloemside	Lemo Mall

Free State Department of Social Development				
Accommodation Currently Occupied by User: State Owned				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Fezile Dabi	Frankfort	4741 Seabata Section, Namahadi Township	Sub Offices
2	Fezile Dabi	Kroonstad	20 Cross Street	District Offices
3	Fezile Dabi	Kroonstad	Station Road	37 Parkings
4	Lejweleputswa	Boshoff	13 Wessels Street	Sub Offices
5	Mangaung	Thaba Nchu	830 Poloko Street	Community Centre
6	Mangaung	Bloemfontein	31 Dr. Belcher Street	District Offices
7	Thabo Mofutsanyana	Bethlehem	Johan Blignaut Drive	Sub Offices
8	Thabo Mofutsanyana	Bethlehem	Kestell Road	Sub Offices
9	Thabo Mofutsanyana	QwaQwa	Makoane Youth Centre	Youth Centre
10	Thabo Mofutsanyana	Vrede	Phumelela Municipality	Offices / Containers
11	Thabo Mofutsanyana	Senekal	c/o Boerbok & Kichner Street	Sub Offices
12	Xhariep	Jagersfontein	2nd Avenue Charlesville	Sub Offices
13	Xhariep	Koffiefontein	De Beers Mine 01 Du Preez Avenue	Block B and Block F District Offices
14	Xhariep	Koffiefontein	House No. 44 Gordon Street	Sub Offices
15	Xhariep	Smithfield	50 Voortrekker Street	Sub Offices

Free State Department of Social Development				
Accommodation Currently Occupied by User: State Owned				
No.	District / Metropolitan	Town	Street Address	Asset Type
16	Mangaung	Thaba Nchu	4701 Poloko Street	Old Age Home
17	Mangaung	Botshabelo	432 Block A- Botshabelo	Old Age Home
18	Thabo Mofutsanyana	QwaQwa	6065 Phatsoane Street	Old Age Home
19	Mangaung	Bloemfontein	Old Railway Hostel	Children's Home
20	Thabo Mofutsanyana	QwaQwa	1809 Mokgethi Street	Children's Home
21	Fezile Dabi	Tweeling	2nd Street	Children's Home
22	Fezile Dabi	Kroonstad	Plot 39 Smaldeel Road	Secure Care Centre
23	Mangaung	Bloemfontein	28 Drente Road Erlichpark	Secure Care Centre
24	Thabo Mofutsanyana	QwaQwa	Mampoi Street-Phuthaditjhaba	New Secure Care Centre
25	Mangaung	Bloemfontein	28 Drente Road Erlichpark	Child Justice Centre
26	Thabo Mofutsanyana	QwaQwa	Mampoi Road	Child Justice Centre
27	Mangaung	Bloemfontein	03 Roth Street, Willows	Victim Empowerment Centre
28	Thabo Mofutsanyana	QwaQwa	Elizabeth Ross Hospital	Tshepong 2 Victim Empowerment Centre
29	Mangaung	Bloemfontein	18 Hartley Road Hamilton	Offices

Free State Department of Social Development				
Accommodation Currently Occupied By User: Leased				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Lejweleputswa	Welkom	High Park Building	Office
2	Mangaung	Botshabelo	FDC Building, Blue Industrial Street	Office
3	Mangaung	Bloemfontein	Elizabeth Street, Civilia Building	Office
4	Thabo Mofutsanyana	Ficksburg	3 Fontein Street	Office
5	Thabo Mofutsanyana	Phuthaditjhaba	Setseng building - c/o Setai St & Motlout Street	Office
6	Xhariep	Bethulie	38 Voortrekker Street	Office
7	Mangaung	Bloemfontein	Standard Bank House West Burger Street	Office
8	Mangaung	Bloemfontein	Standard Bank West Burger Street	Office
9	Mangaung	Thaba Nchu	Ratlou Complex, J.S Moroka	Office
	Fezile Dabi	Sasolburg	Social Dev offices, Riemland Street	Office
10	Fezile Dabi	Parys	C/O Dwars and Luyt Streets	Office
11	Mangaung	Bloemfontein	Sentraal, Andries Pretorius Street	Offices

Free State Department of Sport, Arts and Culture				
Accommodation Currently Occupied by User: State Owned				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Mangaung	Bloemfontein	116A Church Street	Museum / Offices – Military
2	Mangaung	Bloemfontein	Pres. Brand Street	Museum / Offices – Presidency
3	Xhariep	Bethulie	1 Voortrekker Street Bethulie	Museum / Offices
4	Lejweleputswa	Boshoff	2 Voortrekker Street Boshoff	Museum / Offices – C. Van Niekerk
5	Fezile Dabi	Heilbron	72 Long Market Street Heilbron	Museum / Offices – Riemland

Free State Department of Sport, Arts and Culture				
Accommodation Currently Occupied by User: State Owned				
No.	District / Metropolitan	Town	Street Address	Asset Type
6	Xhariep	Phillipolis	Voortrekker Street	Museum / Offices – Trans Xhariep
7	Xhariep	Smithfield	Douglas Street, Smithfield	Museum / Offices – Caledon River
8	Lejweleputswa	Winburg	Voortrekker Monument	Museum / Offices – Pioneer
9	Mangaung	Glen	Glen College	Museum / Offices – Glen
10	Mangaung	Bloemfontein	Pres. Brand Street	Museum / Offices
11	Lejweleputswa	Welkom	8366 Constantia	Offices
12	Fezile Dabi	Sasolburg	6095 Chris Hani	Offices
13	Mangaung	Bloemfontein	First Avenue	Offices
14	Mangaung	Thaba Nchu	103-104 Market Square	Offices
15	Thabo Mofutsanyane	QwaQwa	QwaQwa	Museum / Offices
16	Mangaung	Bloemfontein	37 Elizabeth Street	Records Center / Repository
17	Mangaung	Bloemfontein	29 Badenhorst Street, Universitas	Repository
18	Lejweleputswa	Allanridge	c/o Caledon & Lauchan Streets	Library
19	Lejweleputswa	Allanridge	Stand 30 Nyakallong	Library
20	Thabo Mofutsanyana	Arlington	813 Arlington	Library
21	Mangaung	Bloemfontein	Boerneef Street, Langenhovenpark	Library
22	Thabo Mofutsanyana	Bethlehem	Pres Boshoff Street	Library
23	Thabo Mofutsanyana	Bethlehem	c/o President Boshoff & Cambridge Streets	Library
24	Xhariep	Bethulie	Joubert Street	Library
25	Xhariep	Bethulie	Jim Fouche Street, Lephoi	Library
26	Mangaung	Bloemfontein	36 Zastron Street	Office & Storage
27	Mangaung	Bloemfontein	145 Benade Avenue, Fichardtspark	Library
28	Mangaung	Bloemfontein	18921 Moshoeshoe Road, MANGAUNG	Library
29	Mangaung	Bloemfontein	Preller Plein	Vacant Site (library not yet built)
30	Lejweleputswa	Boshoff	c/o Sen van Niekerk & Voortrekker Street	Library
31	Lejweleputswa	Bothaville	20 Preller Street	Library
32	Mangaung	Botshabelo	151 BA Hospital Road	Library
33	Mangaung	Botshabelo	Site 2158, Block E	Library
34	Lejweleputswa	Brandfort	Mothupi Street, Majwemaseu	Library
35	Lejweleputswa	Brandfort	78 Voortrekker Street	Library
36	Lejweleputswa	Bultfontein	c/o Market & Bosman Street	Library
37	Lejweleputswa	Bultfontein	Basia Street, Phahameng	Library
38	Thabo Mofutsanyana	Clocolan	Andries Pretorius Street	Library
39	Thabo Mofutsanyana	Clocolan	Hloholwane	Library
40	Lejweleputswa	Dealesville	Potlaki St, Tshwaranang	Library
41	Fezile Dabi	Deneysville	Refengkgotso	Library
42	Fezile Dabi	Deneysville	c/o Island & Main Street	Library
43	Mangaung	Dewetsdorp	Brand Street	Library
44	Mangaung	Dewetsdorp	Morojaneng Street	Library
45	Xhariep	Edenburg	16 Church Street	Library
46	Fezile Dabi	Edenville	Ngwathe Township	Library
47	Thabo Mofutsanyana	Excelsior	39 Kommissie Street	Library
48	Thabo Mofutsanyana	Excelsior	Mponeng Street, Mahlaswetsa	Library
49	Xhariep	Fauresmith	7 East Burger Street	Library

Free State Department of Sport, Arts and Culture				
Accommodation Currently Occupied by User: State Owned				
No.	District / Metropolitan	Town	Street Address	Asset Type
50	Thabo Mofutsanyana	Ficksburg	c/o Troon & Voortrekker Street	Library
51	Thabo Mofutsanyana	Ficksburg	1191 Zone 2, Meqheleng	Library
52	Thabo Mofutsanyana	Fouriesburg	Stand 46, Mashaeng	Library
53	Fezile Dabi	Frankfort	c/o Brand & Nieuw Street	Library
54	Fezile Dabi	Frankfort	1212 Namahadi St, Namahadi	Library
55	Xhariep	Gariep	11 Patrys Street	Library
56	Xhariep	Gariep	17 Hydropark	Library
57	Thabo Mofutsanyana	Harrismith	62 Warden Street	Library
58	Thabo Mofutsanyana	Harrismith	2227 Ntshingila Drive, Intabazwe	Library
59	Fezile Dabi	Heilbron	c/o Pierce & Voortrekker	Library
60	Fezile Dabi	Heilbron	Konape St, Phiritona	Library
61	Lejweleputswa	Hennenman	c/o Kerk & Isabella Street	Library
62	Lejweleputswa	Hennenman	1123 Molefi Street, Phomolong	Library
63	Lejweleputswa	Hertzogville	Pretorius Street	Library
64	Thabo Mofutsanyana	Hobhouse	Site 524 Dipalaneng	Library
65	Lejweleputswa	Hoopstad	Buiten Street	Library
66	Lejweleputswa	Hoopstad	540 M M Masiu St, Tikwana	Library
67	Xhariep	Jacobsdal	Ratanang	Library
68	Xhariep	Jagersfontein	c/o Kerr & Central street	Library
69	Xhariep	Jagersfontein	Seekoei Street, Itumeleng	Library
70	Thabo Mofutsanyana	Kestell	Blignaut Street	Library
71	Xhariep	Koffiefontein	29 Groot Trek Street	Library
72	Xhariep	Koffiefontein	Boitumelong Street, Dithlake	Library
73	Fezile Dabi	Koppies	Dirkie Uys Street	Library
74	Fezile Dabi	Koppies	1284 New Location, Kwakwatsi	Library
75	Fezile Dabi	Kroonstad	c/o Steyn and Hill Street	Library
76	Fezile Dabi	Kroonstad	Hennie Ludick Street, Maokeng	Library
77	Fezile Dabi	Kroonstad	c/o Koekoe & Louw Streets, Maokeng	Library
78	Thabo Mofutsanyana	Ladybrand	c/o Joubert & Voortrekker Street	Library
79	Thabo Mofutsanyana	Ladybrand	Matiele Drive, Manyatseng	Library
80	Thabo Mofutsanyana	Lindley	16 A Kerk Street	Library
81	Thabo Mofutsanyana	Lindley	914 Sisula Park, Ntha	Library
82	Xhariep	Luckhoff	Site 121, Relebohile	Library
83	Thabo Mofutsanyana	Mamafubedu	Potgieter Street, Mamafubedu	Library
84	Thabo Mofutsanyana	Marquard	President Swart Plein/ Unie St	Library
85	Thabo Mofutsanyana	Marquard	846 Moemaneng	Library
86	Thabo Mofutsanyana	Memel	Site 461/1	Library
87	Lejweleputswa	Odendaalsrus	c/o Kerk & Steyn Street	Library
88	Lejweleputswa	Odendaalsrus	Pompey Street Kutlwanong	Library
89	Fezile Dabi	Oranjeville	Site 1113, Oranjeville Ext 1	Library
90	Fezile Dabi	Parys	c/o Philip & Schilbach Street	Library
91	Fezile Dabi	Parys	13 Alan Street	Library
92	Fezile Dabi	Parys	c/o 3rd Avenue & 5th Street, Schonkenville	Library
93	Thabo Mofutsanyana	Paul Roux	Site 416, Fateng Tse Ntsho	Library
94	Xhariep	Petrusburg	29 Oos Street	Library
95	Xhariep	Petrusburg	Site 1756, Bolakanang	Library
96	Xhariep	Philippolis	Voortrekker Street	Library

Free State Department of Sport, Arts and Culture				
Accommodation Currently Occupied by User: State Owned				
No.	District / Metropolitan	Town	Street Address	Asset Type
97	Thabo Mofutsanyana	Phuthadijhaba	Mampoi Street (next to Community Hall)	Library
98	Xhariep	Reddersburg	27 Andries Pretorius Street	Library
99	Thabo Mofutsanyana	Reitz	Sarel Cilliers Street	Library
100	Thabo Mofutsanyana	Reitz	449 Shop St, Petsana	Library
101	Xhariep	Rouxville	c/o Piet Retief & Roux Street	Library
102	Xhariep	Rouxville	Posholi Street, Roleleathunya	Library
103	Fezile Dabi	Sasolburg	John Vorster Avenue	Library
105	Mangaung	Selosesha	96 Station Street	Library
106	Thabo Mofutsanyana	Senekal	Van Riebeck Street	Library
107	Thabo Mofutsanyana	Senekal	John Stone Street, Matwabeng	Library
108	Xhariep	Smithfield	c/o Genl. Hertzog & Brand Street	Library
109	Xhariep	Smithfield	118 Burcher Street	Library
110	Mangaung	Soutpan	Ikgomotseng Street	Library
111	Xhariep	Springfontein	24 Christian Strauss Street	Library
112	Fezile Dabi	Steynsrus	Matlwangtlwang Street	Library
113	Lejweleputswa	Theunissen	c/o Pienaar & Kerk Street	Library
114	Lejweleputswa	Theunissen	Joel Park, Masilo	Library
115	Xhariep	Trompsburg	c/o 78 Voortrekker & David Street	Library
116	Thabo Mofutsanyana	Tsiame	Tsiame	Library
117	Fezile Dabi	Tweeling	5 Tenth Street	Library
118	Thabo Mofutsanyana	Tweespruit	5 Peper Street	Library
119	Lejweleputswa	Ventersburg	c/o Voortekker & Vanandel Street	Library
120	Lejweleputswa	Ventersburg	Extension Voortekker Street, Mmamahabane	Library
121	Lejweleputswa	Verkeerdevelei	Site 23, Tshepong	Library
122	Fezile Dabi	Viljoenskroon	c/o Engelbrecht and Mahen Street	Library
123	Fezile Dabi	Viljoenskroon	Rammolotsi	Library
124	Fezile Dabi	Villiers	23A Main Street (Hoof Street)	Library
125	Fezile Dabi	Villiers	Mofokeng St, Qalabotjha	Library
126	Lejweleputswa	Virginia	Virginia Gardens	Library
127	Lejweleputswa	Virginia	Meloding Street, Meloding	Library
128	Thabo Mofutsanyana	Vrede	47 Kuhn Street	Library
129	Thabo Mofutsanyana	Vrede	1463 Kalifman Street, Thembalihle	Library
130	Fezile Dabi	Vrededorst	c/o Slabbert and Meerholz Street	Library
131	Thabo Mofutsanyana	Warden	8 Agste Street	Library
132	Thabo Mofutsanyana	Warden	Main Street, Ezenzeleni	Library
133	Lejweleputswa	Welkom	5 Tulbach Street	Library
134	Lejweleputswa	Welkom	15589c/o Mike Chatsane & Buick Tshabalala Street, Motse-Thabong	Offices & stores
135	Lejweleputswa	Welkom	Kopano Complex, Long Street, Welkom	Library
136	Mangaung	Wepener	De Wet Street	Library
137	Mangaung	Wepener	Minnaar Street	Library
138	Lejweleputswa	Wesselsbron	Erwee Street	Library
139	Lejweleputswa	Wesselsbron	2353 Motloanya Street, Monyakeng	Library
140	Xhariep	Jacobsdal	Jacobsdal	Library
141	Xhariep	Luckhoff	Luckhoff	Library
142	Xhariep	Gariepdam	Gariep	Library
143	Xhariep	Hydropark	Hydropark	Library
144	Fezile Dabi	Sasolburg	10 Corner Klasie Havenga & Meads Street	House

Free State Department of Sport, Arts and Culture				
Accommodation Currently Occupied by User: State Owned				
No.	District / Metropolitan	Town	Street Address	Asset Type
145	Fezile Dabi	Frankfort	1213 Municipal Offices, Namahadi	Library
146	Lejweleputswa	Welkom	64 Bok Street Golden Heights	Library
147	Xhariep	Trompsburg	55 Voortrekker Street	Library
148	Thabo Mofutsanyana	Bethlehem	10 Kerk Street	Library
149	Mangaung	Bloemfontein	4 President Brand Street, Orangesig, Bfn	Museum/ Offices
150	Fezile Dabi	Sasolburg	c/o President Steyn/William Stow Sasolburg 1947	Library
151	Thabo Mofutsanyana	QwaQwa	Portion 123 of Farm 1926 Charles Mopeli Stadium Moto Street 9868 Charles Mopeli Stadium	Library
152	Lejweleputswa	Welkom	21263 Nkoane Road, Kopanong Indoor Sport Centre, Thabong, Welkom	Sports Centre

Free State Department of Sports, Arts and Culture				
Accommodation Currently Occupied By User: Leased				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Mangaung	Bloemfontein	Business Partners building, c/o Henry & Hill Street Bloemfontein	Offices / Miscellaneous
2	Mangaung	Bloemfontein	Warden Building, Henry Street	Offices / Miscellaneous
3	Fezile Dabi	Kroonstad	Fairweather Building, Brand Street, Kroonstad	Offices / Miscellaneous

Free State Department of Premier				
Accommodation Currently Occupied by User: State Owned				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Mangaung	Bloemfontein	c/o St Andrew & Markgraaf Street	Offices ground floor to 9th Floor
2	Mangaung	Thaba Nchu	Old Training Teaching College	Main building, ground floor
3	Xhariep	Zastron	Multipurpose Centre	Main building, ground floor
4	Xhariep	Trompsburg	Booyesen Street	Main building, ground floor
5	Thabo Mofutsanyana	QwaQwa – Tseki (Phuthaditjhaba)	Mampoi Street	Main building, ground floor
6	Thabo Mofutsanyana	QwaQwa – Namahadi	Charles Mopeli Stadia Street	Main building, ground floor
7	Lejweleputswa	Hertzogville	Municipal Building	Main building, ground floor
8	Lejweleputswa	Winburg	Municipal Building	Main building, ground floor
9	Lejweleputswa	Welkom	Long Road	Kopano Hospital 5th floor
10	Fezile Dabi	Sasolburg	Old FNB Building	Old FNB Building

Free State Department of Premier				
Accommodation Currently Occupied By User: Leased				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Mangaung	Bloemfontein	Brahman Building , 124 Nelson Mandela Drive	Offices
2	Lejweleputswa	Welkom	Boitumelo Junction	Multipurpose Centre

Free State Department of Treasury				
Accommodation Currently Occupied By User: State Owned				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Mangaung	Bloemfontein	Fidel Castro Building (Floors 4 to 14 and 20), Elizabeth Street, Bloemfontein	Offices

Free State Department of Treasury				
Accommodation Currently Occupied By User: Leased				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Mangaung	Bloemfontein	Tsebo Building, Fichard and Nelson Mandela Street	Offices

Programme Expenditure

Programme Name	2021/2022			2020/2021		
	Final Appropriation R'000	Actual Expenditure R'000	Over/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	Over/Under Expenditure R'000
Administration	140 806	136 823	3 983	121 404	121 221	183
Public Works Infrastructure	1 624 802	1 617 294	7 508	1 472 579	1 470 143	2 436
Expanded Public Works Programme	98 535	91 860	6 675	64 677	64 413	264
TOTAL	1 864 143	1 845 977	18 166	1 658 660	1 655 777	2 883

Virements/roll overs

No roll overs funds were received. The Department acted as an agent on behalf of client departments and due to court judgements a virement was implemented to fund the shortfall on claims against the state. The Department is experiencing a shortfall of R903.016 million for municipal services as well as R310.982 million for rates and taxes and a virement was implemented to move surplus funds.

Reasons for unauthorised, fruitless and wasteful expenditure

No unauthorised expenditure was incurred during 2021/2022 financial year. Fruitless expenditure was incurred during the year due to interest as per High Court judgements against the Department as implementing agent for client departments.

The strategic focus over the short to medium term period

The ICT strategy will focus on using technology to enable smart governance to address many of the Department's most common administrative pay points such as Invoice Tracking, Contract Management, S&T claims, Submissions and many others. The Department will also continue to work towards the attainment of an IDMS solution.

The Department will be focusing on the refurbishment of state owned properties and termination of lease contracts.

Public Private Partnerships

The Department did not enter into any Partnerships.

Discontinued key activities / activities to be discontinued

The Department did not discontinue any of its activities during the 2021/2022 financial year.

New or proposed key activities

The Infrastructure Delivery Management System (IDMS) is proposed as a new key activity as it was developed as part of the Infrastructure Delivery Improvement Programme (IDIP) initiative with the key role players being National Treasury, Construction Industry Development Board (CIDB), Department of Public Works, Department of Health, Department of Education and the Development Bank of Southern Africa (DBSA).

As preferred implementer of infrastructure projects, the Free State Department of Public Works and Infrastructure must annually manage a large and diverse portfolio of projects to ensure infrastructure is delivered for clients "on time", "within budget" and also meet the required quality standards. The implementation of the IDMS assist the Department to meet these requirements, but it also places additional responsibilities on the Department to manage projects in a specific, structured way.

Therefore, in order to adequately address the above mentioned, the Department intends establishing a comprehensive Integrated Immovable Asset Management Information Solution (IIAMIS) for the infrastructure project portfolios, programmes and projects implemented by the Department that support sound management and to strengthen monitoring and evaluation abilities within the Department as a whole.

Supply Chain Management (SCM)

Unsolicited bid proposals

There were no unsolicited bid proposals for the 2021/2022 financial year.

SCM processes and systems in place to prevent irregular expenditure

SCM processes, systems and internal controls are in place to prevent irregular expenditure.

Challenges experienced in SCM and how they were resolved

- The delayed submission of invoices from end users / SCM officials posed challenges for payments within 30 days. ICT has been requested to establish a computerised invoice tracking system.
- SCM was requested to establish inventory stores in all regions, however, due to COVID-19 this exercise was deferred.
- The annual project targets needed to be clearly and timeously communicated with SCM outlining the required information for SCM to achieve those targets.

Gifts and Donations received in kind from non-related parties

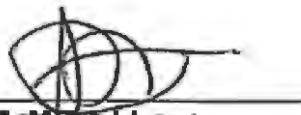
The Department did not receive any gifts or donations during 2021/2022 financial year.

Exemptions and deviations received from the National Treasury

The Department did not receive any exemptions or deviations from National Treasury relating to the 2021/2022 financial year.

Events after the reporting date

The Department is not aware of any adjustment events after the reporting date for the 2021/2022 financial year.



Mr. M.E. Mofahlo
Accounting Officer
Department of Public Works and Infrastructure
31 July 2022

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

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

All information and amounts disclosed throughout 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 2022.

Yours faithfully



Mr. M.E. Mohlahlo
Accounting Officer
31 July 2022

6. STRATEGIC OVERVIEW

6.1. Vision

A prosperous Free State through facilitation of sustainable built infrastructure.

6.2. Mission

Coordination, provision, promotion of built infrastructure and sound management of assets

6.3. Values

Listed below is the citizen oriented approach that will guide the conduct of the Institution in carrying out its mission of delivering government services in line with the Batho Pele principles.

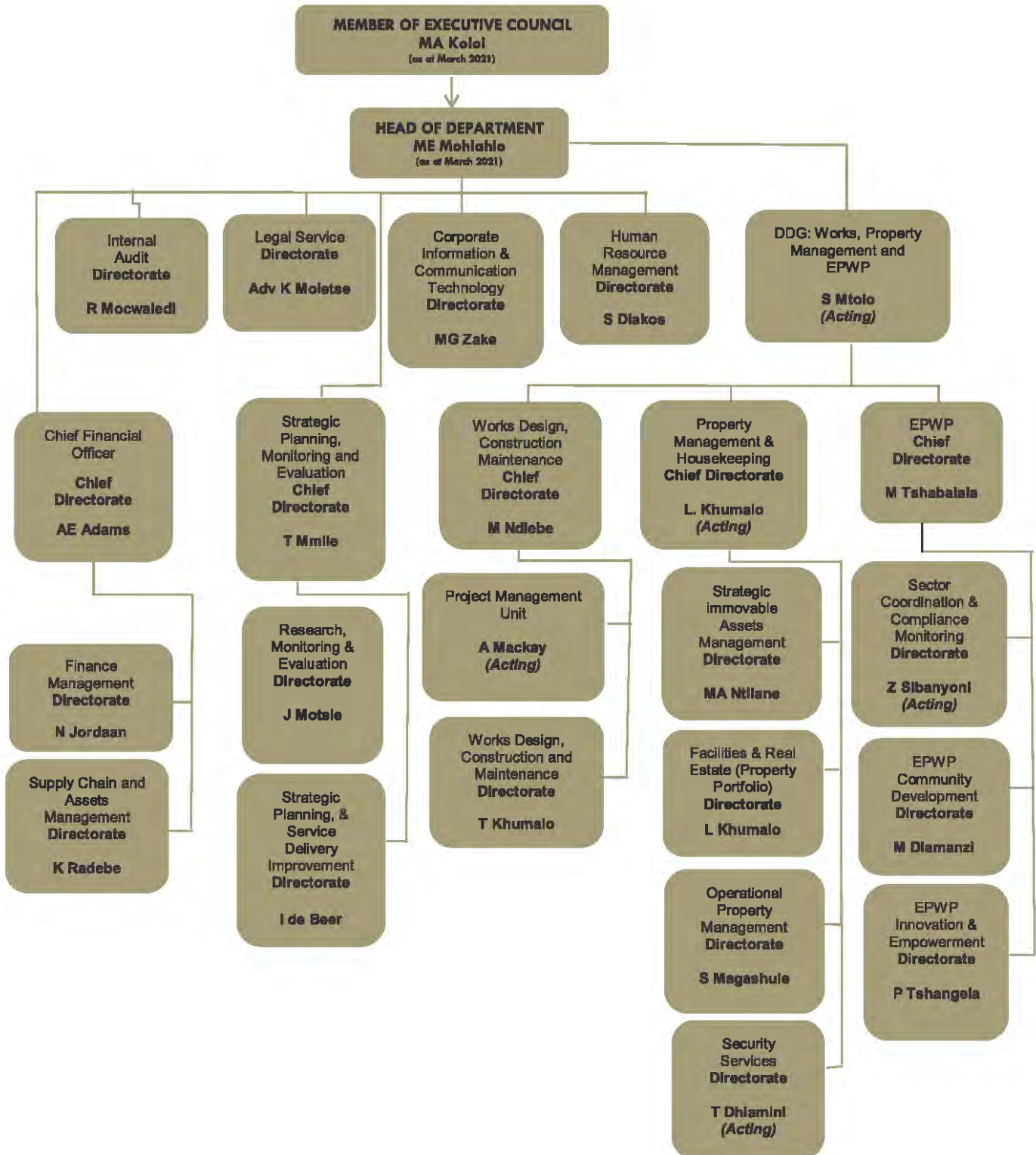
Core Values	Description
Commitment	Deliver quality services within available resources.
People-Centred	Putting "People First" will be our priority aimed at improving service delivery to citizens.
Teamwork	We will collaborate as a team and together assist with the realisation of government priorities.
Responsiveness	All tasks will be attended to timeously and diligently.
Fairness	The Department will implement its strategy as planned and serve the citizens without bias and prejudice.
Transparency	We will provide the citizens with reliable information about decisions and performance of the department.
Ethical Conduct	The Department will be honest in implementing its priorities and act in accordance with the constitutional directives.
Accountability	There will be consequences on failing to meet required outcomes.
Innovation	The Department will respond to technological and other developments in its internal and external environment.

7. LEGISLATIVE AND OTHER MANDATES

- Implementation of Communication Policy-approved by Cabinet 2018; Government Communicator's Handbook; Departmental Social Media Guidelines (2021/22-2025/26); Departmental Communication Policy; Departmental Communication Strategy
- State Information Technology Agency Act No. 88 of 1998;
- Corporate Governance of ICT Policy Framework - DPISA
- Free State Land Administration Act, 1998 (Act No. 1 of 1998).
- The Expropriation Act, 1975 (Act No. 68 of 1975).
- Government Immovable Asset Management Act, 2007 (Act No. 19 of 2007).
- Occupational Health and Safety, 1993 (Act No. 85 of 1983)
- Public Finance Management Act, 1999 (Act No. 1 of 1999) as amended and the related Treasury Regulations, 2005 Gazette No. 27388
- Division of Revenue Act, 2016 (Act No. 3 of 2016)
- Labour Relations Act, 1995 (Act No. 66 of 1995)
- Skills Development Act, 2003 (Act No. 31 of 2003)
- Occupational Health and Safety Act, 1993 (Act No. 85 of 1983)
- Free State Land Administration Act, 1998 (Act No. 1 of 1998)
- Construction Industry Development Board (CIDB) Act, 2000 (Act No. 38 of 2000)
- Compensation for Occupational Injuries and Disease Act, 1993 (Act No. 130 of 1993)
- Preferential Procurement Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000)
- Broad Based Black Economic Empowerment Act 2003, (Act No. 53 of 2003)
- Policy document on the Statutory Regulation of the Built Environment Professionals, 1999
- White Paper: Public Works towards the 21st Century, 1997
- Green building policy – DPW, 2016
- Infrastructure Delivery Management System
- Project and Construction Management Professions Act, 2000 (Act No. 48 of 2000).
- Infrastructure Development Act, 2014 (Act No 23 of 2014)
- State Land Disposal Act, 1961 (Act No. 48 of 1961).
- Municipal Property Rates Act, 2004 (Act No 6 of 2004).
- Property Valuers Profession Act, 2000 (Act No 47 of 2000)
- Protection of Information Act, 1982 (Act No. 84 of 1982).
- Private Security Industry Regulations Act, 2001 (Act No. 56 of 2001)
- Control of Access to Public Premises and Vehicles Act, 1985 (Act No. 53 1985)
- The Criminal Procedure Act, 1977 (Act No 51 of 1977)
- Municipal Finance Management Act, 2003 (Act No 56 of 2003)
- EPWP Incentive Grant Manual Version 3, April 2011
- Ministerial Determination 4: Expanded Public Works Programme, No. 35310 Gazetted 4 May 2012
- Code of Good Practice for employment and conditions of work for Expanded Public Works Programme, No. 34032, Gazetted 18 February 2011
- Contractor Development Policy, 2007
- Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996)
- Public Service Act, 1994 (as amended) and the Public Service Regulations, 2016
- Control of Access to Public Premises and Vehicles Act, 1985 (Act No. 19 of 2007)
- Local Government Municipal Structures Act, 1998 (Act No. 177 of 1998)
- Local Government Demarcation Act, 1998 (Act No. 27 of 1998)
- Promotion of Access to Information Act, 2000 (Act No. 2 of 2000)
- Promotion of Administration of Justice Act, 2000 (Act No. 3 of 2000)
- Protection of Personal Information Act, 2013 (Act No. 4 of 2013)

8. ORGANISATIONAL STRUCTURE

8.1 ORGANISATIONAL STRUCTURE AT MACRO LEVEL



9. ENTITIES REPORTING TO THE MEMBER OF THE EXECUTIVE COUNCIL

The Department does not have entities directly reporting to the MEC.



Part B

PERFORMANCE INFORMATION

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1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor-General of South Africa (AGSA) performed certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. AGSA did not identify any material findings on the usefulness and reliability of the reported performance information for Programme 2.

Refer to page 124 of the Report of the Auditor General published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service delivery Environment

With the impact of Covid-19, the need to scale up the implementation of Public Employment Programs has grown even more urgent in order to combat poverty, provide economic security for the poor, and create public assets and services. EPWP continues to be an important government effort that supports government policy priorities such as decent work and sustainable livelihoods, education, health, rural development, food security, and land reform.

Because of the slow pace of economic growth, EPWP is a hotly contested sector in which everyone from every demographic wants to participate. There is a need to revive the massification programme since in-house execution makes it easier to maximize participation while maintaining control over the quality of work produced.

2.2 Service Delivery Improvement Plan

The Department of Public Service and Administration (DPSA) issued a directive that no new three-year SDIPs need to be developed for the 2021/2022_2023/2024 financial years. It was communicated by DPSA that only two-year SDIPs which will take effect on 01 April 2022 must be developed.

Various workshops and training sessions were conducted through virtual platforms to train relevant officials on the new improved framework guiding SDIPs. The last one was in February of 2022.

This in essence meant that there was no 2021 SDIP in place to be reported on for the 2021/2022 financial year.

2.3 Organisational environment

The Department has two critical positions, namely, Deputy Director General: Public Works Infrastructure and EPWP and the Chief Director: Property Management which remained unfilled during the year under review. It is envisaged that these two critical posts will be considered for filling in the 2022/2023 financial year.

2.4 Key policy developments and legislative changes

- Public Service Regulations 2016 came into effect on 1 August 2016 as an amendment to the Public Service Regulations of 2001.
- Amendment to the Labour Relations Act (LRA) of 1995 Section 198 (B) Regulation of non-standard employment and EPWP (Reduced cases of entitlement to permanent employment).
- Preferential Procurement Regulations 2017 issued in terms of the Preferential Procurement Policy Framework Act (PPPFA), 2000.
- National State of Disaster COVID-19 in terms of section 27(2) of the Disaster Management Act, 2002.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

Impact statement: A fully functional and supported building infrastructure through empowerment and improved service delivery for sustainable livelihoods.

Outcomes below are discussed in terms of 2021/2022 progress made against five year targets:

Sustainable Infrastructure Investment

The five-year target set for infrastructure projects is 55 and 35 has been achieved.

Productive Assets

The **transformation** for 2021 was achieved at 63% against the five-year target of 70/30

Property Rates expenditure is on 100% and Municipal Services 99.8% of the adjusted budget.

The Department has a total number of 66 lease contracts for office accommodation of which 39 are entered into with HDIs.

Physical security target of 22 was overachieved due to the *ad hoc* requests.

Optimized job opportunities

Of the planned five-year target of 12 000 work opportunities, 4 090 was achieved in 2020/2021 and 2021/2022 financial years cumulatively. 1 893 was achieved with women 65%, youth 47%, PWD 2% in 2020/2021 in 2021/2022 the achievement was 2 197 with women 71%, youth 44% and PWD 2%.

Quality Services to Clients

336 appointments were made in as at 2021 compared to the five-year target of 440. The Department managed to record 100% financial disclosures of designated employees and 99.2% invoices were paid within 30 days.

The focus for 2021 was building on the 2020 approach of getting work done mainly through technology following the virtual meeting approach as part of the "working from where you are" approach. Though, due to more people vaccinated against the COVID 19 virus, by the beginning of Quarter 4 all officials physically returned to work fulltime due to a change in the lockdown levels. Normal face-to-face meeting were slowly introduced.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1. Programme 1: Administration

Purpose

Programme 1 aims to provide the Department with administrative, strategic management, financial and corporate support service in order to ensure that the Department delivers on its mandate in an integrated, efficient, effective and sustainable manner.

Programme 1 consists of the following Sub-Programmes:

- Office of the MEC.
- Management of Department:
 - Sub-sub-programme Internal Audit.
 - Sub-sub-programme Enterprise Risk Management.
 - Sub-sub-programme Internal Control
 - Sub-sub-programme Corporate Support
- Corporate Support Sub Programme:
 - Sub-sub-programme Corporate Services
 - Sub-sub-programme Research, Monitoring and Evaluation
 - Sub-sub-programme Finance.
 - Sub-sub-programme Information Communication Technology.

4.1.1. Corporate Support Sub Programme

Purpose

Corporate Support Sub-Programme is responsible for managing personnel, procurement, administration and related support services namely, financial management, information communication technology and legal services.

Corporate Services Sub sub-programme

Purpose

The Sub sub-programme is responsible for managing the human resources strategies and policies and the career development strategies to improve Departmental efficiency.

Research, Monitoring and Evaluation

Purpose

The Sub sub-programme is responsible for facilitating the development of the Departmental strategic plan, service delivery improvement initiatives, performance monitoring and reporting as well as evaluating Departmental performance in relation to achievements of predetermined strategic objectives.

Finance Sub sub-programme

Purpose

Responsible for strategically managing finance related matters with regard to development of efficient and effective procurement, financial management systems including budgetary controls.

Information Communication Technology Sub sub-programme

Purpose

Render effective, efficient and professional Information and Communication Technology (ICT) services to the Department with excellent people, processes and technology to optimise service delivery by the Department of Public Works and Infrastructure.

Institutional outcomes contribution

Budget Programmes	Outputs	Intended outcomes	Impact	Woman	Youth	Disability
Programme 1: Administration	Constitutional Compliance	Quality Services to Clients	A fully functional and supported building infrastructure through empowerment and improved service delivery for sustainable livelihoods.	50%	30%	2%
	Skills development					
	PFMA compliance					
	Quality services	Dignified User Experience				
	Creating awareness for environmental friendliness	Quality Services to Clients				

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements								
Corporate Support Sub-programme								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement for 2021/2022	Reasons for deviation
Output Indicators								
Dignified User Experience	Quality Services	User satisfaction survey conducted to assess quality of Services provided (secondary users).	New	New	1	1	0%	None
Quality Services to Clients	Constitutional Compliance	Designated employee compliance with financial disclosure.	New	100% (Group 1 & 2)	100% per group	100%	0%	None
		Number of appointments according to the Human Resource Plan	66	220	50	113	126%	Over achievement was due to reprioritisation and filling of critical positions in line with the HR Plan, Departmental needs and compensation of employees' budget.
	Skills development	Number of training interventions according to the Workplace Skills Plan.	36	26	12	27	125%	Over performance due to addressing ad hoc training needs in the department.
	PFMA compliance	Percentage of valid invoices paid within 30 days.	New	99.98%	100%	99%	-1%	Invoices were not paid within 30 days due to administrative shortcomings.
	Creating awareness for environmental friendliness	Internet of things (IoT)	New	1 (MS Teams)	Video conferencing for one strategic boardroom	1	0%	None

Strategy to overcome areas of under performance

The Department will improve internal controls to identify and follow up invoices nearing 30 days.

Sub-programme expenditure

Sub- Programme	2021/2022			2020/2021		
	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
Corporate Support	118 716	114 892	3 824	103 054	102 895	159
Total	118 716	114 892	3 824	103 054	102 895	159

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions:

The information in the Annual Report is aligned to that in APP.

Reporting on the Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographic location (Province/District/local municipality)	No. of beneficiaries	Disaggregation of Beneficiaries	Total budget allocation per Intervention (R'000)	Budget spent per Intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
Administration	ICT: Continuous Implementation of MS Teams for virtual meetings	Free State (Departmental-wide)	207	Departmental Officials	R4 500 000	R3 478 173	APP Output: Creating awareness for environmental friendliness	Virtual meetings continue to be held in support of remote working and adherence of COVID-19 protocols
	ICT: Continuous Implementation of Departmental What's-APP Group	Free State (Departmental-wide)	118	Departmental Officials with Contract mobile phones	N/A	N/A	N/A	Enhanced communication of Departmental information

4.2. Programme 2: Public Works Infrastructure

Purpose

To provide a balanced and equitable provincial government building infrastructure by promoting accessibility that is sustainable, integrated and environmentally sensitive which supports economic development and social empowerment.

Programme 2 consists of the following Sub-programmes:

- Design Sub Programme
- Construction Sub Programme
- Maintenance Sub Programme
- Planning Sub Programme
- Immovable Asset Management Sub Programme
- Facility Operations Sub Programme:
 - Operational Property and Housekeeping Sub sub-programme
 - Security Services Sub sub-programme

4.2.1. Design Sub Programme

Purpose

The Sub-Programme is responsible for the design of new and upgrading of building infrastructure by focusing on project inception, concept design, design development and project documentation.

4.2.2. Construction Sub-Programme

Purpose

The Sub-Programme is responsible for new construction, upgrading and refurbishment of infrastructure by focusing on construction period, contract administration and projects close out and debriefing.

4.2.3. Maintenance Sub-Programme

Purpose

The Sub-Programme's responsibilities include the following four maintenance activities:

- Routine maintenance.
- Scheduled maintenance.
- Condition assessment of all buildings.
- *Alterations.

**Alterations refer to changes that are required for reasons other than 'maintaining the asset, e.g. changes to interior walls*

Institutional outcomes contributions

Budget Programmes	Outputs	Intended outcomes	Impact	Woman	Youth	Disability
Programme 2: Public Works Infrastructure	Infrastructure projects delivered	Sustainable Infrastructure Investment	A fully functional and supported building infrastructure through empowerment and improved service delivery for sustainable livelihoods.	60%	55%	2%
	Eco-friendly buildings					
	Expansion of building life cycle					

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements								
Design, Construction and Maintenance Sub-programme								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement for 2021/2022	Reasons for deviation
Output Indicators								
Sustainable Infrastructure Investment	Infrastructure projects delivered	Number of infrastructure designs ready for tender.	2	6	4	4	0%	None
Sustainable Infrastructure Investment	Expansion of building life cycle.	Number of TRPs completed.	New	3	12	10	-17%	Inclement weather conditions delayed completion of the Koppies and late start of the project at Zastron, the house that was encroaching on the road and water supply pipe that had to be removed from the road that resulted into water spillage.
		Number of contractors on the Contractor Development Programme placed on projects.	New	17	23	23	0%	None
		Water savings (20%).	New	6	Implementation of water management on 12 buildings.	6	-50%	The availability of the check meter due to large pipe size capacity required was not available from the manufactures, therefore, the baselines could also not be submitted.

Strategy to overcome areas of under performance

Number of TRPs completed:

The extension of time was requested.

Water savings (20%):

The baselines will be submitted in the new financial year.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements								
Design, Construction and Maintenance Sub-programme								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement for 2021/2022	Reasons for deviation
Output Indicators								
Sustainable Infrastructure Investment	Expansion of building life cycle.	Number of planned maintenance projects awarded.	8	12	10	5	-50%	OR Tambo 4 th floor reprioritised, Fidel Castro Plant room and 3 rd floor OR Tambo did not meet the technical requirements and were re-advertised. Tshireletsong Children's Home-Phase 1 and Thusanong Building are regarded as capital projects and will therefore not be reported under maintenance projects.
		Number of planned maintenance projects completed	6	17	9	13	44%	Over achievement was due to the projects which were carried over from last financial.

Strategy to overcome areas of under performance

Number of planned maintenance projects awarded:

Will be awarded in the next financial year.

Sub-programme expenditure

Sub- Programme	2021/2022			2020/2021		
	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
Design	20 074	20 065	9	17 662	17 655	7
Total	20 074	20 065	9	17 662	17 655	7

Sub- Programme	2021/2022			2020/2021		
	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
Construction	39 445	35 847	3 598	43 300	41 510	1 790
Total	39 445	35 847	3 598	43 300	41 510	1 790

Sub- Programme	2021/2022			2020/2021		
	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
Maintenance	127 251	124 564	2 687	162 634	162 174	460
Total	127 251	124 564	2 687	162 634	162 174	460

Performance In relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions:

The information in the Annual Report is aligned to that in APP.

4.2.4 Planning, Immovable Asset Management and Facility Operations

Purpose

To provide a balanced and equitable provincial government building infrastructure by promoting accessibility that is sustainable, integrated and environmentally sensitive which supports economic development and social empowerment.

Programme 2 consists of:

- Sub Programme Planning.
- Sub Programme Immovable Asset Management.
- Sub Programme Facility Operations:
 - Sub sub-programme Operational Property and Housekeeping.
 - Sub sub-programme Security Services.

4.2.5 Planning Sub-Programme

Purpose

The Sub-Programme is responsible for managing the demand for infrastructure by developing; monitoring, and enforcing built sector Infrastructure Plans, Infrastructure Implementation Plans, facilitating User Asset Management Plans and developing the Custodian Asset Management Plan in line with property management norms and standards.

4.2.6 Immovable Asset Management Sub Programme

Purpose

To manage the property portfolio of the province; to establish and manage the provincial strategic and infrastructure plan; to provide accommodation for all provincial departments and other institutions; to acquire and dispose of immovable assets in terms of the plan and in terms of the Free State Land Administration Act (No 1 of 1998) which entails:

- Acquiring and disposal of properties.
- Manage leasing in of properties.
- Managing leasing out of government properties.
- Revenue generation and collection.
- Management of the immovable asset register.
- Monitor the utilisation of provincial government facilities.
- Management of utilities.

4.2.7 Facility Operations Sub Programme

Purpose

The Sub-Programme is responsible to manage the operations of buildings including facilities management, cleaning, greening, beautification, interior decoration, designs and day-to-day preventative maintenance of electronic, electrical and mechanical equipment. It refers to all services related to managing a building.

**Note that the actual implementation cost of the projects will be captured under the appropriate sub-sub programmes, including Security Services.*

4.2.7.1 Operational Property & Housekeeping Sub sub-programme

Purpose

The Sub sub-programme is responsible to manage operations of buildings including facilities management, cleaning, gardening/greening, beautification and interior decoration.

4.2.7.2 Security Services Sub sub-programme

Purpose

The Sub sub-programme provides a safe and secure environment at government buildings occupied by more than one department.

Institutional outcomes contributions

Budget Programmes	Outputs	Intended outcomes	Impact	Woman	Youth	Disability
Programme 2: Public Works Infrastructure	Safe government buildings	Productive Assets	A fully functional and supported building infrastructure through empowerment and improved service delivery for sustainable livelihoods.	50%	50%	2%
	Reliable Immovable Asset Register					

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements								
Planning Sub-programme								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement for 2021/2022	Reasons for deviation
Output Indicators								
Productive Assets	Reliable Immovable Asset Register	Number of facilities/ buildings provided to users (fit for purpose).	New	New	6	6	0%	None
		Acquisition of properties	New	0	1	1	0%	None
		Disposal of properties	New	0	50	0	-100%	The long disposal processes in terms approvals and many Disposal Committees and other stakeholders that has to approve the disposal properties.

Strategy to overcome areas of under performance

For disposal of properties, the Department will appoint Panel of conveyancers to fast track the registration of properties

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements								
Immovable Asset Management Sub-programme								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement for 2021/2022	Reasons for deviation
Output Indicators								
Productive Assets	Reliable Immovable Asset Register	Number of utilisation inspections conducted for office accommodation	New	New	9	9	0%	None
		Number of properties recorded on the Immovable Asset Register	4 869	4 877	4 822	4 894	1.49%	New additions to the Immovable Asset Register
		Number of condition assessments conducted on state-owned buildings.	44	29	20	20	0%	None

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements								
Facility Operations Sub-programme								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement for 2021/2022	Reasons for deviation
Output Indicators								
Productive Assets	Reliable Immovable Asset Register	Amount of revenue collected.	R45.467m	R45.387m	R53.389m	R39.041m	-27%	The long disposal processes in terms approvals and many Disposal Committees and other stakeholders that has to approve the disposal properties.
		Number of properties receiving facility management services (Housekeeping, cleaning-gardening services)	40	40	60	60	0%	None
	Safe government buildings	Number of properties installed with electronic security system at entrances.	New	0	2	0	-100%	The tender was advertised and after evaluation stage at SCM it was found that it was not responsive and had to be re-advertised again and closed in February 2022, currently it is at evaluation stage SCM.
		Number of properties guarded with physical security	32	54	22	32	45%	The number of guarded sites were increased by COVID-19 sites that Public Works was mandated to guard until it was stopped 31 st August 2021

Strategy to overcome areas of under performance

Amount of revenue collected:

The underpayment is due to slow process of disposal to address that the Department will appoint the Panel of Conveyancers to fast track the registration of properties

Number of properties installed with electronic security system at entrances:

The Department will revise the stringent specifications to accommodate more/capable bidders from the market as advised by Treasury.

Sub-programme expenditure

Sub- Programme	2021/2022			2020/2021		
	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
Planning	7 687	7 676	11	9 287	9 279	8
Total	7 687	7 676	11	9 287	9 279	8

Sub- Programme	2021/2022			2020/2021		
	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
Immovable Asset Management	1 227 145	1 226 391	754	1 042 627	1 042 579	48
Total	1 227 145	1 226 391	754	1 042 627	1 042 579	48

Sub- Programme	2021/2022			2020/2021		
	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
Facility Operations	198 482	197 990	492	191 414	191 308	106
Total	198 482	197 990	492	191 414	191 308	106

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions:

The information in the Annual Report is aligned to that in APP.

Reporting on the Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographic location (Province/District/local municipality)	No. of beneficiaries	Disaggregation of Beneficiaries	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
Public Works Infrastructure	<i>P/P: Pest Cntrl/Fumigation Ser</i>	Mangaung Xhariep Fezile Dabi Thabo Mofutsanyana Lejweleputswa	N/A	N/A	R 1 088 00.00	R 1 085 762.45	Intervention not planned for on the APP	Provision of service
	<i>Inv Cloth: Unif & Prot Cithi</i>	Mangaung Xhariep Fezile Dabi Thabo Mofutsanyana Lejweleputswa	N/A	N/A	R 118 000.00	R 117 339.00	Intervention not planned for on the APP	Provision of PPE
	Operating Lease: Buildings (Outstanding Invoices from previous financial year)	Mangaung Xhariep Fezile Dabi Thabo Mofutsanyana Lejweleputswa	N/A	N/A	R 517 000.00	R 516 350.00	Intervention not planned for on the APP	Provision of Accommodation
	P/P :Safeguarding and Security (Service rendered until August 2021)	Mangaung Xhariep Fezile Dabi Thabo Mofutsanyana Lejweleputswa	NA	NA	R 4 294 000.00	R 4 293 509.02	Intervention not planned for on the APP	Provision of Security Service
	Rental & Hiring (Service rendered until August 2021)	Mangaung Xhariep Fezile Dabi Thabo Mofutsanyana Lejweleputswa	NA	NA	R 129 000.00	R128 720.00	Intervention not planned for on the APP	Provision of Security Service

4.3 Programme 3: Expanded Public Works Programme

Purpose

To manage the implementation of programmes and strategies that lead to the development and empowerment of communities and contractors. This includes the provincial management and co-ordination of the Expanded Public Works Programme

The Programme consists of the following Sub-Programmes:

- Community Development Sub Programme.
- Innovation and Empowerment Sub Programme.
- Coordination and Compliance Monitoring Sub Programme.

The Objective of EPWP Phase IV covering 2019/2020 – 2023/2024 is: "To provide work opportunities and income support to poor and unemployed people through the delivery of public and community assets and services, thereby contributing to development".

4.3.1 Community Development Sub-Programme

Purpose

This programme aims to provide income support to poor people and communities through participatory public employment approaches by creating assets and services that can have transformative impact on socio economic development. The Sub-programme is also responsible for the development and empowerment of impoverished communities. Promote and create decent work opportunities through the provision of accredited training and implementation of community development initiatives.

4.3.2 Innovation and Empowerment Sub programme

Purpose

Create an enabling environment for emerging enterprises and address skills shortage in the construction industry through development of emerging contractors and youth and ensuring that EPWP responds to government's priorities of creating decent jobs, enterprise development and increase artisan base. The sub-programme is responsible to oversee contractor empowerment, training and development including learnerships, and providing SMME support and development.

4.3.3 Coordination and Compliance Monitoring Sub-Programme

Purpose

This sub-programme is responsible for coordination, monitoring EPWP implementation and the management of Incentive Grant Expenditure to all public bodies implementing EPWP in the province.

NB. This Sub-Programme is entrusted with the provincial management and coordination of all stakeholders towards the successful implementation of the EPWP targets within the Province in relation to the creation of work opportunities. The projects/initiatives and budgets are controlled by the public bodies (provincial departments and municipalities).

Institutional outcomes that each programme contributes

Budget Programmes	Outputs	Intended outcomes	Impact	Woman	Youth	Disability
Programme 3: Expanded Public Works Programme	Development initiatives for the unemployed.	Optimised job opportunities	A fully functional and supported building infrastructure through empowerment and improved service delivery for sustainable livelihoods.	60%	55%	2%
	Empowerment of impoverished communities.					
	Skilled youth					
	Co-ordinate expenditure on the Expanded Public Works Programme					

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

In the past financial year, we were able to create 2 197 job opportunities as part of the EPWP community development programs, against a target of 2 190 job opportunities. The preliminary demographic designation coverage was as follows: 1 496 (71%) were women, 926 (44%) were youth and 45 (2%) were PWDs.

The Department of Public Works and Infrastructure established exceptional opportunities for 316 young people in various empowerment programs, such as training and integrated work placements, to help combat youth unemployment.

Under the Township Revitalisation Programme, the department continues to contribute to the promotion of Labour-Intensive Construction techniques, skills development, and job creation by upgrading low-volume highways from gravel to paved roads.

This project provides townships with additional resources to help them deliver services faster, including the building of public assets and job opportunities for local residents, as well as facilitating access to public amenities and contributing to the township economy. In the current financial year of 2021/22, a total of twelve (12) roads were constructed in the following towns: Botshabelo, Zastron, Oppermansgronde, Bultfontein, Allanridge, Frankfort, Koppies, Villiers, Clarens, Paul Roux, Vrede and Memel.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements								
Community Development Sub-programme								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement for 2021/2022	Reasons for deviation
Output Indicators								
Optimised job opportunities.	Development initiatives for the unemployed.	Number of EPWP work opportunities created by the Provincial Department of Public Works and Infrastructure.	2 987	1 893	2 190	2 197	0.3%	Overachievement is due to replacement of participants that dropped out in order to maintain cumulative number of working days.
	Empowerment of impoverished communities.	Number of beneficiary empowerment interventions.	3	3	2	2	0%	N/A
	Co-ordinate expenditure on the Expanded Public Works Programme.	Number of public bodies reporting on EPWP targets within the Province.	31	32	31	31	0%	N/A

Sub-programme expenditure

Sub- Programme	2021/2022			2020/2021		
	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
Community Development	72 818	66 194	6 624	33 742	33 505	237
Total	72 818	66 194	6 624	33 742	33 505	237

Sub- Programme	2021/2022			2020/2021		
	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
Innovation and Empowerment	8 399	8 380	19	12 708	12 707	1
Total	8 399	8 380	19	12 708	12 707	1

Sub- Programme	2021/2022			2020/2021		
	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
Coordination and Compliance Monitoring	-	-	-	-	-	-
Total	-	-	-	-	-	-

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions:

The information in the Annual Report is aligned to that in APP.

Reporting on the Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographic location (Province/District/local municipality)	No. of beneficiaries	Disaggregation of Beneficiaries	Total budget allocation per intervention (R'000)	Budget spent per Intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
EPWP	Provincial Quarantine Facilities Cleaning Project	Mangaung, Phillip Sanders	09	Women = 09 Male = 04	R0	R1 538 000	Number of work opportunities created by the provincial department of public works and infrastructure	45 work opportunities created including income support to unemployed participants.
		Qwaqwa, Sterkfontein	06	Women = 01 Male = 5				
		Memel	04	Women: 04				
		Xhariep, Gariep Dam	6	Women = 03 Male = 03				
		Willem Pretorius	06	Women = 05 Male = 01				
		Sandveld	04	Women = 03 Male = 01				
		Tussen Die riviere	06	Women = 04 Male = 02				

5. TRANSFER PAYMENTS

5.1. Transfer payments to municipalities

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
FS161 Letsemeng	Property Rates Payments	2 669 507,40		
FS162 Kopanong	Property Rates Payments	6 772 314,40		
FS163 Mohokare	Property Rates Payments	568 939,62		
FS181 Masilonyana	Property Rates Payments	7 409 808,51		
FS182 Tokologo	Property Rates Payments	371 916,21		
FS183 Tswelopele	Property Rates Payments	2 548 904,91		
FS184 Matjhabeng	Property Rates Payments	131 648 098,65		
FS185 Nala	Property Rates Payments	4 955 195,61		
FS191 Setsoto	Property Rates Payments	14 046 594,39		
FS192 Dihlabeng	Property Rates Payments	11 442 091,26		
FS193 Nketoana	Property Rates Payments	775 046,61		
FS194 Maluti-A-Phofung	Property Rates Payments	40 814 000,00		
FS195 Phumelela	Property Rates Payments	2 219 215,44		
FS196 Mantsopa	Property Rates Payments	3 572 808,81		
FS201 Moqhaka	Property Rates Payments	14 210 127,48		
FS203 Ngwathe	Property Rates Payments	7 810 498,86		
FS204 Metsimaholo	Property Rates Payments	11 603 747,10		
FS205 Mafube	Property Rates Payments	2 736 313,43		
MAN Mangaung (Metro)	Property Rates Payments	192 404 000,00		
Total		458 579 128,69		

6 CONDITIONAL GRANTS

6.1 Conditional grants and earmarked funds paid

Earmarked Funds Paid:

Property Rates and Taxes Allocation

Department/ Municipality to whom the grant has been transferred	Public Works and Infrastructure
Purpose of the grant	For the payments of municipal property rates and taxes on all provincially owned properties (registered, unregistered or incorrectly registered).
Expected outputs of the grant	Payment on receipt of valid property rates and taxes invoices from municipalities.
Actual outputs achieved	Payments of rates and taxes made within 30 days upon receipt of the invoice from municipalities.
Amount per amended DORA	R458.588 million
Amount transferred (R'000)	R458.588 million
Reasons If amount as per DORA not transferred	The entire DORA allocation was received.
Amount spent by the department/ municipality (R'000)	R458.579 million
Reasons for the funds unspent by the entity	Total budget was spent.
Monitoring mechanism by the transferring department	Payment of property rates to be captured on BAS and reconciled to Rates and Taxes register

6.2 Conditional grants and earmarked funds received

The table/s below details the conditional grants and earmarked funds received during the period 1 April 2021 to 31 March 2022

EPWP Integrated Grant to Provinces

Department/ Municipality to whom the grant has been transferred	Public Works and Infrastructure
Purpose of the grant	Utilisation of Infrastructure and cleaning and greening projects in line with EPWP principles.
Expected outputs of the grant	The grant will be utilized for infrastructure and cleaning and greening projects in line with EPWP principles and to create more work opportunities based on the full-time equivalent jobs.
Actual outputs achieved	Creation of decent jobs and increase in the GDP of respective towns.
Amount per amended DORA	R6.714 million
Amount transferred (R'000)	R6.714 million
Reasons if amount as per DORA not transferred	The entire DORA allocation was received.
Amount spent by the department/ municipality (R'000)	R6.713 million
Reasons for the funds unspent by the entity	Total budget was spent
Monitoring mechanism by the transferring department	Decentralisation of Community Liaison Officers to the districts for scrutiny. Submission of monthly conditional grant expenditure report to Provincial Treasury with explanatory information.

Infrastructure Enhancement Allocation

Department to whom the grant has been transferred	Public Works and Infrastructure
Purpose of the grant	Assist in acceleration of construction, maintenance and rehabilitation of new and existing infrastructure. Enhance capacity to deliver on infrastructure exclusively for provincial related projects.
Expected outputs of the grant	Number of buildings and facilities constructed and maintained.
Actual outputs achieved	Number of buildings and facilities constructed and maintained.
Amount per amended DORA	R62.553 million
Amount transferred (R'000)	R62.553 million
Reasons if amount as per DORA not transferred	The entire DORA allocation was received.
Amount spent by the Department (R'000)	R53.954 million
Reasons for the funds unspent by the Department	N/A
Monitoring mechanism by the transferring department	N/A

COVID-19 Response Funds

Department to whom the grant has been transferred	Public Works and Infrastructure
Purpose of the grant	
Expected outputs of the grant	
Actual outputs achieved	
Amount per amended DORA	R6.146 million
Amount transferred (R'000)	R6.146 million
Reasons if amount as per DORA not transferred	The entire DORA allocation was received.
Amount spent by the Department (R'000)	R6.142 million
Reasons for the funds unspent by the Department	Total budget Works t was spent.
Monitoring mechanism by the transferring department	Monthly/Quarterly reports to Provincial Treasury.

7 DONOR FUNDS

7.1. Donor Funds Received

The Department did not receive any donor funding during 2021/2022 financial year.

8 CAPITAL INVESTMENT

8.1. Capital investment, maintenance and asset management plan

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

Provincial Department	Completed Project Name
Public Works and Infrastructure = 10	Allanridge TRP
	Botshabelo TRP
	Bultfontein TRP
	Clarens TRP
	Frankfort TRP
	Memel TRP
	Oppermansgronde TRP
	Paul Roux TRP
	Villiers TRP
	Vrede TRP
Education = 3	Zastron: Mooifontein School (Develop and Construct)
	Clocolan: Ruang Tsebo School. (Develop and Construct)
	Thaba Nchu: Bartimeas Special School additional facilities
Social Development = 1	Kroonstad: Matete Matches Secure Care Centre: Major Renovations

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

Provincial Department	Project Name	Expected Completion Date
Public Works and Infrastructure = 2	Koppies TRP	20 May 2022
	Zastron TRP	31 May 2022
Education = 11	Harrismith: Morena Tsohisi Primary School	TBC
	Gariepdam: Orajekrag School Hostel	03 Feb 2022
	Thaba Nchu: Boitumelong Special School: Hostel	TBC
	Viljoenskroon: Dr Sello Primary School	29 Oct 2022
	Bothaville: Tshehetso Primary School	24 June 2022
	Sasolburg: Katlego Mpumelelo Secondary School	TBC
	Fouriesburg Breda Farm School: Hostel	31 July 22
	Welkom: Leboneng Special School: Hostel	30 June 22
	Bethlehem Vogelfontein Primary School	TBC
	Bloemfontein Old Eureka Hostel: upgrade and Renovations	TBC
	Bloemfontein: Matla Phase 2: Admin building, Media Centre, School hall, Book and Garden Store, Activity Centre.	To be revised
Health = 2	Welkom Riebeckstad (Thandanani) New Clinic	07 Feb 2023
	Welkom Rheederpark New Clinic	06 July 2023
Sport, Arts, Culture and Recreation = 2	Phuthaditjhaba: Charles Mopeli Stadium Phase 1 Construction of Paving & Parking	7 June 22
	Wepener: Qibing New Library	TBC

Plans to close down or down-grade any current facilities.

No buildings were closed down or downgraded during the 2021/2022 financial year.

Progress made on the maintenance of infrastructure.

- Scheduled maintenance work is currently carried out on the departmental buildings, this schedule is guided by a programme that covers all equipment. Different equipment is maintained at different times, according to the Manufacturer's specifications.

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

- The Department currently budgets for scheduled maintenance on mechanical and electrical equipment, like lifts, standby generators, air-conditioning units, fire extinguishers and fire sprinklers.

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

During the verification process properties are identified either for scrapping or disposing from the Immovable Asset Register or the movement of properties during the process of acquisition and disposal through sale/donation and transfer/ownership verification.

Opening balance (01 April 2021)	Closing balance (31 March 2022)	Movement
4 822	4 894	72

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

The Department does quarterly reconciliations to ensure that the register is updated. Furthermore, the Deeds Dump received from National Government is used to ensure that all properties registered in the name of the Free State Provincial Government are recorded in the Immovable Asset Register.

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

Condition of Facility	Number of Facilities	Percentage
Good	169	10.9
Fair	1 340	86
Bad	49	3.14
Total	1 558	100

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

- Tshireletsong Children's Home Phase 1, in Bloemfontein is a major renovation and upgrade building undertaken to accommodate homeless children.

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 not, and what measures were taken to keep on track.

- The 2021/22 Maintenance budget was also informed by condition assessments conducted in previous years. The budget that was provided in the 2018/2019 only address R19.704 million which was not enough to cover all the work that was identified. The 2019/2020 budget covered a further R50.202 million, totalling to R69.906 million for the two financial years. Expenditure for the 2020/21 financial year was increased by Covid19 projects, to the value of R100 317 000.00. The shortfall in addressing the outstanding work, which will be catered for in the coming financial years is now at R41.493 million. A circle of new condition assessments will be starting in the next financial year and therefore this figure will increase.

Capital investment, maintenance and asset management plan

Infrastructure Projects	2021/2022			2020/2021		
	Final Appropriation	Actual Expenditure	Under Expenditure	Final Appropriation	Actual Expenditure	Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
New and replacement assets	-	-	-	2 890	2 890	-
Existing infrastructure assets	93 987	81 416	12 571	97 422	95 006	2 416
- Upgrades and additions	58 308	50 309	7 999	39 767	38 617	1 150
- Rehabilitation, renovations and refurbishments	21 793	19 707	2 086	13 840	12 972	868
- Maintenance and repairs	13 886	11 400	1 964	43 815	43 417	398
Infrastructure transfer	-	-	-	-	-	-
- Current	-	-	-	-	-	-
- Capital	-	-	-	-	-	-
Total	93 987	81 416	12 571	100 312	97 896	2 416



GOVERNANCE

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1. INTRODUCTION

Risk management refers to the culture, processes and structures that are directed towards the effective management of potential opportunities and threats. These are processes that the Department have put in place to identify, assess, manage, review and report on risks. The Department maintains and acknowledged the fact that the highest standards of governance are essential to the management of public finances and resources. Good governance is necessary for effective leadership in defining strategy, provide direction and establish the ethics and values that will influence and guide practices and behavior with regard to sustainable performance and is an important source of both opportunities and risks for the Department.

2. RISK MANAGEMENT

The Department has an approved Risk Management Policy and Strategy in place. The Risk Management Policy and Strategy are reviewed annually taking into consideration changes in the environment to ensure an appropriate risk management culture across the Department. The Risk Management Strategy and Risk Management Policy were tabled to Risk & Ethics Management Committee and was subsequently approved by the Accounting Officer for implementation during the 2021/22 financial year.

Risk assessment is conducted annually to evaluate the status of identified risks, determine the level of progress on the implementation of action plans and to update the level of risk exposure at residual level of the risks considering the strategic objective. Emerging risks are identified when risk monitoring is conducted on quarterly basis and when there are any changes in the Department's operations. Consultations take place and the emerging risks are brought to the attention of the risk owner. The final Strategic Risk Register for the 2021/22 financial year was approved by the Accounting Officer and the implementation thereof was monitored on a quarterly basis. Risk action plans were broken up into quarterly measurable targets to ensure that progress is tracked and reported meaningfully.

The Department has a functional Risk & Ethics Management Committee (REMC) that convenes on quarterly basis as per the REMC Charter. The Risk Management Committee was appointed by the Accounting Officer and is functional. Quarterly risk management reports are being presented to the Risk & Ethics Management Committee and Accounting Officer with a reflection on the risk landscape of the department at unacceptable, cautionary or acceptable levels. The Risk & Ethics Management Committee oversees the review of risk management policy documentation, appetite and tolerance levels. It also evaluates the effectiveness of mitigation strategies to address material risks facing the Department and reports to the Accounting Officer on a quarterly basis through its chairperson.

The Chairperson of the REMC presents the REMC Chairperson Report on a quarterly basis to the Audit Committee. Quarterly risk management reports are also presented to the Audit Committee by the Chief Risk Officer covering the risk profile of the Department, as well as progress on minimizing the residual risk levels. The Audit Committee provides independent advice on the reports and risk profiles.

The Risk and Ethics Management Committee continues to foster a culture that emphasises and demonstrates the benefits of a risk-based ethical approach to internal control and management of the Department. There is ongoing assessment and improvement of the risk management process to ensure that the correct root causes, impact and action plans are identified and mitigated. There is moderate improvement in the management of risks that culminated in improvement on departmental performance. REMC members are completing a risk management e-learning course to expand on the knowledge of risk management and benefits of effective risk management program.

3. FRAUD AND CORRUPTION

Fraud and corruption represent significant potential risks to the Department and can negatively impact on both service delivery efficiency and the Department's reputation. The Department is committed to zero-tolerance with regard to corrupt or fraudulent activities, whether internal or external. To achieve this the department has adopted Fraud Prevention Plan to direct activities that prevent or detect any form of fraud and corruption in the department. Heads of directorate are responsible for fostering an environment within their directorates, which makes active fraud prevention a major responsibility of all staff, for articulating clear standards and procedures to encourage the minimization and deterrence of fraud, and for the detection and prosecution of offences should they occur

Mechanisms in place to report fraud and corruption and how these operate.eg: Whistle blowing - The need for officials to make confidential disclosure about suspect fraud and corruption

Reporting procedures and resolution of reported incidents – Employees

Various channels for reporting allegations of fraud and corruption are described in detail in the Departmental Whistle-blowing Policy.

- It is the responsibility of all employees to immediately report all allegations or incidents of fraud and corruption to their immediate manager and/or the Director: Internal Audit.
- All managers are responsible for the prevention, detection, and investigation of fraud and corruption and must report all incidents and allegations of fraud and corruption to the Director: Internal Audit. The Director: Internal Audit will initiate an investigation into the matter, in consultation with Senior Management.
- Should employees wish to report allegations of fraud and corruption anonymously, they can utilize the National Anti-Fraud and Corruption Hotline.

The Whistle-blowing Policy was updated for the 2021/22 financial year and developed to enable officials of the Department and stakeholders to report suspected fraud and corrupt activities. The Policy encourages workers to report fraud and corruption either confidentially/anonymously or openly to the appointed ethics officers, HOD and the National Fraud & Corruption Hotline. The Fraud Prevention Plan, Whistle Blowing Policy as well as the Ethics Management Strategy and Implementation Plan are uploaded on the departmental intranet.

Reporting procedures and resolution of reported incidents – Employees

Various channels for reporting allegations of fraud and corruption are described in detail in the Departmental Whistle-blowing Policy.

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All managers are responsible for the prevention, detection, and investigation of fraud and corruption and must report all incidents and allegations and fraud and corruption to the Director: Internal Audit. The Director: Internal Audit will initiate an investigation into the matter, in consultation with Senior Management.

Should employees wish to report allegations of fraud and corruption anonymously, they can utilize the National Anti-Fraud and Corruption Hotline.

Reporting procedures and resolution of reported incidents - Public or Service Providers

- The Department encourages members of the public or providers of goods and/or services who suspect fraud and corruption to contact the Director: Internal Audit or any other member of management.

- Should the member of public wish to report allegations of fraud and corruption anonymously, they can contact National Anti-Fraud and Corruption Hotline or departmental Hotline 0800 701 701 and www.publicworks.fs.gov.za.

Action taken for any fraud and corruption

Any fraud and corruption committed by an employee or any other person is pursued by thorough investigation and to the full extent of the law, including (where appropriate) consideration of:

- In case of employees, taking disciplinary action within a reasonable period of time after the incident;
- Instituting civil action to recover losses;
- Initiating criminal prosecution by reporting the matter to the South African Police Services (SAPS) or any other relevant law enforcement agency.

4. MINIMISING CONFLICT OF INTEREST

All members of the Senior Management Service (SMS) disclose their financial interest in terms of the Public Service Regulations of 2016. This disclosure is forwarded to the Public Service Commission by 31 May. All Senior Managers disclosed as required for the year under review. In addition, the Department conducts an annual Companies and Intellectual Property Commission (CIPC) search for all levels to establish if any conflict of interests exists. Furthermore, as part of pre-employment screening a CIPC search is also conducted for the reasons mentioned above.

The Public Service Regulations, 2016 which came into effect on 1 August 2016 also provides that the Minister for the Public Service and Administration (MPSA) may identify other salary levels that should disclose their financial interest. The Minister determined that employees on Deputy Director level and staff employed in the professions (OSD) on these levels and all appointees within Supply Chain Management and Finance also form part of the designated groups and should also disclose. The MPSA furthermore issued a directive dated 18 June 2021 that inter alia requires that all staff members appointed at salary level 9 and / or equivalent also disclose their financial interests. This category of staff shall in terms of this directive be required to disclose their financial interests for the period 1 April 2021 to 31 March 2022 during the period 1 June 2022 to 31 July 2022 via the eDisclosure system.

The Financial Disclosure Framework is a key tool to identify possible forms of conflict of interests and especially against growing public expectation for strengthening the integrity of Government officials and to prevent corruption in Government institutions. During the year under review 100% compliance in terms of disclosure was achieved as follows:

- SMS
- MMS/OSD Level 12
- MMS/OSD Level 11
- Finance and Supply Chain Management
- New employees are required to disclose their financial interest within 30 days of appointment.

During the year under review the DPSA introduced life style audits. The basis of the life style review is the information disclosed by means of the financial disclosure system. The Department conducted 21 life style reviews during the 2021/2022 financial year. There were no red flags. By adopting life style audits, greater transparency is obtained in the Public Service. This is a powerful deterrent against unethical and criminal behaviour, as it reminds Public Service employees that their behaviour is subject to scrutiny, as the Constitution of the Republic of South Africa, Act 108 of 1996, Section 195 requires that a "high standard of professional ethics must be promoted and maintained." Life style reports were forwarded to both Department of the Premier and DPSA on 31 January 2022 as prescribed.

The Department have inculcated the conducting of life style audits into its operations linked to the disclosure periods of categories of employees required to disclose their financial interests which from 2022/2023 in accordance with the MPSA directive shall take place on a biennial basis for categories falling outside the SMS. The life style reviews will be done in the year between the financial disclosure.

Prior to any Bid Committee, members disclose interest and where appropriate recuse themselves from adjudication. A similar approach is followed at the Audit Committee, Risk and Ethics Management meetings which are chaired by external stakeholders.

5. CODE OF CONDUCT

Public Service employees are required in terms of section 195 of the Constitution of the Republic of South Africa, 1996 to exercise the highest ethical standards and adhere to the Code of Conduct as they are entrusted with the duty and responsibility of serving a broader society.

Employees are reminded regularly of the contents of the code of conduct, and are expected to abide by the contents thereof. Furthermore, the Department follows a proactive approach to entrench ethical conduct and thereby contributes to minimizing fraud, corruption and non-compliance. Key areas that have been implemented are:

- Directive by MPSA on the remunerative work outside the employee's employment in the relevant Department as contemplated in Section 30 of the Public Service Act, 1994 dated 1 November 2016.
- Directive by MPSA on Conducting Business with an Organ of State dated 27 January 2017.
- Determination on other categories of designated employees to disclose their financial interests and Directive on the form, date and financial interests to be disclosed issued by the Minister for Public Service and Administration dated 16 March 2017 and 18 June 2021 (replaced 2017 directive). All three directives applied for the 2021/2022 Financial year.

A quarterly report on ethics management is discussed and adopted in the designated Risk and Ethics Management Committee as well as Audit Committee. The code of conduct and ethics management form part of the departmental interventions. During the 2020/2021 financial year the one-on-one interventions in a classroom situation in respect of the Code of Conduct were limited due to the social distancing and impact of COVID-19.

The Code of Conduct sets the norms and standards for Public Servants in respect of professional ethics enshrined in the Constitution. Ethical Conduct and organisational integrity are key to eradicating fraud and corruption in the Public Service. The Department has implemented an Ethics management programme that will equip its employees with the necessary knowledge and understanding to make ethical decisions. In this respect 660 departmental employees as at 31 March 2022 have concluded the Ethics in the Public Service skills intervention.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

Any employer of choice is measured against the success of the employee health and wellness programme. Departmentally this programme which relies on close co-operation with line management seeks to achieve a healthy and productive workforce. Occupational Health and Safety (OHS) is central to a healthy workforce, clients / customers and service providers. The Department has an OHS committee that deals with matters which are related to Health and Safety of the employees. The committee meets on a quarterly basis and implement OHS. Meetings are being chaired by a representative appointed in terms of Section 16 of the Occupational Health and Safety Act. As custodian of infrastructure said employee is also responsible to chair the inter departmental OHS committee.

During the year under review aforesaid committee ensured compliance with health and safety issues within the ambit of the Disaster Management Act and gazetted Regulations issued by the Minister of Cooperative Governance and Traditional Affairs to manage the Covid-19 pandemic. During the year under review the alert levels vary between adjusted alert level 3 and alert level 1 and guidance from the Department of Public Service and Administration which impacted on the number of staff reporting for duty on a full time basis.

The Department ensured compliance in this respect. The normal health safety and environmental issues were managed within this restrictive ambit of Covid-19 outlined above. As health and safety is a priority skills interventions were implemented during the 2021/2022 financial year in respect of first aid training, scaffold erector, working at heights and basic fall arrest for technical staff required to construct and work on scaffolding. Furthermore, the cleaning and hygiene staff underwent Covid-19 training to equip them to conclude deep cleaning as required by the Covid-19 standards.

The above interventions contribute to a safe and healthy working environment.

All contractors appointed must submit a health and safety plan which is monitored by technical staff of the Department. During the pandemic the Department instituted measures whereby contractors were only allowed to commence / restart projects subject to proof of COVID-19 compliance.

7. PORTFOLIO COMMITTEES

The table below depicts the dates of the meetings held by the Portfolio Committee on Public Works, Infrastructure, Roads, Transport and Human Settlements:

No.	Subject on the Programme of the Portfolio Committee Meeting	Date of the meeting
1.	Consideration of 2021/2022 Annual Performance Plan on Non-Financial Matters	27 May 2021
2.	Consideration of 2020/2021 Q4 Performance Progress Report on Non-Financial Matters	15 June 2021
3.	Tabling of the 2020/2021 Annual Report	31 August 2021
4.	Consideration of 2021/2022 Q1 Performance Progress Report on Non-Financial Matters	31 August 2021
5.	Consideration of 2020/2021 Annual Report on Non-Financial Matters	23 November 2021
6.	Consideration of 2021/2022 Q2 Performance Progress Report on Non-Financial Matters	9 December 2021
7.	Consideration of 2021/2022 Q3 Performance Progress Report on Non-Financial Matters	18 February 2022

Matters raised by the Portfolio Committee and how the Department addressed these matters:

Subject on the Programme of the Portfolio Committee Meeting	Date of the meeting	Resolution	Response
N/A			

8. SCOPA RESOLUTIONS

Progress on SCOPA resolutions

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
(2018/19), 1(a)	The Portfolio Committee was concerned about the lack of completion of the construction of the bulk infrastructure portion of the purchase agreement.	Indicate the time frames specified for the completion of the bulk infrastructure portion of the purchase agreement;	To date the implementation of the Bulk Infrastructure has not started due to the Zoning that is not yet approved by the Municipality. Department is going to request a meeting with the Services Provider, Municipality and all relevant stakeholders to drag the process and emphasize the urgency of the matter.	Yes
(b)		Indicate how the bulk infrastructure progress will be monitored and accounted for between the department, the metro municipality and the entity.	Sub-clauses 2.1 and 2.2 of the Deed of Sale indicate that R28 million must be paid as cash and R20 million as installation of bulk infrastructure. The Department received a letter from the buyer indication that they have submitted an implementation plan for the installation of bulk infrastructure which will start on 1 April 2021 and they requested to pay the R20 million for bulk infrastructure with a bank guarantee but the Department rejected their request due to the procurement process that was followed. The Department initiated and facilitated a meeting between Sedtrade Consortium and Mangaung Metro Municipality to discuss all pertinent issues regarding installation of bulk infrastructure and it was resolved that Sedtrade Consortium and Mangaung Metro Municipality must work together to speed up the process. The Department will write to Sedtrade Consortium to get progress.	No
Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
2	Audit Action Plan	The department must ensure that all non-compliance findings that were repeated or reached need to be included in their action plan, but must be monitored and adhered to on a continuous basis throughout each financial year.	The Department has developed a remedial audit action plan to address all the findings raised during the audit by the AGSA. The remedial audit action plan is monitored on a monthly basis. The Action plan will be presented to the Department's Shared Audit Committee meetings, the Quarterly Performance Review meetings and the Departmental Executive Management meetings; which are chaired by the Accounting Officer. The Action Plan is also required to be submitted to the Provincial Treasury on a monthly basis with the Key Control Matrix documents.	No
Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
3	Internal Audit and Audit Committee	More oversight by senior management, internal audit and audit committee is needed to support the Accounting Officer in achieving an improvement in outcomes.	Internal Audit unit audits high risk areas within the Department in line with the risk register and provides recommendations for improved actions. Audit Committee meets at least 4 times a year to provide oversight on matters relating to the Department. Internal Audit commits to attending the Chief/Directorate meetings of other programmes, to evaluate and assist with the oversight of operations and to ensure the achievement of objectives. The Chief/Directorate meetings must be held regularly (at least monthly) where the programme operations are monitored and discussed, and operational effectiveness is evaluated. Internal Audit to provide an independent evaluation and recommend effective action plans and internal controls in addressing deficiencies.	Yes

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
4(a)	Leasing of Government Properties and Monitoring	Extension on rental/lease contracts in respect to private properties leased for government purposes must adhere to SCM regulations, with the necessary consideration and approvals required.	All procurement processes for leases or extensions follow all SCM regulations.	Yes
(b)		Infrastructure projects should be properly managed and contractors closely supervised in order to monitor the progress and quality of the projects.	The SOP was developed and submitted to the Provincial Treasury.	Yes
(c)		The department must enter into payment agreements with municipalities and continue with negotiations with Treasury and other oversight bodies in regard of the budget constraints	Property Rates Expenditure is on 100% and available budget 0%. Municipal Services Expenditure 100%, Commitments 0% and Available Budget 0%. Additional Budget The Department presented the shortfall to the following structures: • Provincial Treasury • National Treasury • Provincial Head of Departments Forum (FoHOD) • Provincial EXCO An additional allocation of R236, 786 was allocated for Municipal Services. The Department has spent all property rates and municipal services budget for the 2021/2022 financial year. Signing of Agreements (Payment Plans) Municipalities raised the following requirement for signing payment plans: • Department needs to commit to pay all current accounts in time • Confirmed outstanding balances to be paid within a set time line The allocated budget for municipal services will cover ±4 months of the current accounts. Therefore, municipalities have a concern to enter into payments plans that cannot be adhere to.	No
Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
5	Lack of supporting documents	Performance information is reviewed to ensure that there is adequate supporting documentation for all reported achievements to confirm the reliability of the performance information	Identified discrepancies were addressed with relevant Programme Managers. The assessment of progress performance information against the supporting documents is conducted to ensure accuracy, reliability and validity of reported outputs. Follow-ups are also conducted for the submission of relevant and outstanding POEs for the reported outputs.	Yes
Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
6(a)	The Portfolio Committee was concerned that the department did not implement sufficient monitoring controls to ensure that projects are properly managed and contractors closely supervised in order to	Implement additional monitoring controls to ensure that projects are properly managed and contractors are closely supervised in order to monitor the progress and quality of the project/s.	The SOP was developed and submitted to the Provincial Treasury.	Yes

(b)	monitor the progress and quality of the projects	Enter into Service Level Agreement (SLA) with all departments where they are requested to assist with project management to ensure clear responsibilities of each department.	IPIP's were signed by both client and DPWI.	Yes
(c)		Provide status reports on all incomplete infrastructure projects and ensure they assist all line departments to ensure infrastructure units are functional and capacitated.	Monthly Reports are prepared.	yes
(d)		Address the capacity at the department to deal with infrastructure projects as implementing agent of other departments.	Appointment of Chief Project Manager was done on the 1st of April 2021	No
(e)		That all rented and new buildings comply with health and safety regulations	Since the start of the financial year the Department has conducted an inspection on 17 leased properties and one (1) state owned property, the findings identified from the Occupational Health and Safety inspections have been communicated to the landlords to be addressed.	Yes
(f)		End-users must submit invoices to SCM on time to allow SCM officials to process and pay all invoices within 30 days.	With the exception of payments to Municipalities, the Department aims and strives to continuously pay suppliers within 30 days. Since the beginning of the 2021/22 financial year, only twelve (12) invoices were not paid within 30 days.	No

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

• MATTERS ON THE AUDIT REPORT

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
Goods and Services: Compliance -payments made after 30 days Transfers and subsidies: Payments not made within 30 days	2020/21	Property Rates Expenditure is on 100% and available budget 0%. Municipal Services Expenditure 100%, Commitments 0% and Available Budget 0%. Additional Budget The Department presented the shortfall to the following structures: • Provincial Treasury • National Treasury • Provincial Head of Departments Forum (FoHOD) • Provincial EXCO An additional allocation of R236, 786 was allocated for Municipal Services. The Department has spent all property rates and municipal services budget for the 2021/2022 financial year. Signing of Agreements (Payment Plans) Municipalities raised the following requirement for signing payment plans: • Department needs to commit to pay all current accounts in time • Confirmed outstanding balances to be paid within a set time line The allocated budget for municipal services will cover ±4 months of the current accounts. Therefore municipalities have a concern to enter into payments plans that cannot be adhere to.
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
AOPO: List of planned maintenance projects completed	2020/21	Supporting documents received were verified against the performance information reported at the end of March. Furthermore, Programme Managers and Regional Managers were contacted to confirm if there were no additional projects completed during the period under review.

• MATTERS ON THE MANAGEMENT REPORT

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
Contingent Asset : Implementation plan not submitted by the purchaser	2020/21	Section 2.1 and 2.2 of the Deed of Sale indicates that 28M is going to be paid as cash and R20M is going to be paid as the installation of the Bulk infrastructure, the Department received an action plan from the buyer that indicates that the installation of Bulk infrastructure is going to start on 1/04/21 and during follow ups the Department received a letter from the buyer requesting that the property should be registered in their name and indicating that they will provide a Bank guarantee cheque, the matter was referred to the Legal Services as this may change the terms of the Deed of Sale. Property Management to implement recommendation to be received from Legal Services

SCM: Competitive Bidding Limitation	2020/21	SCM has already started to archive old tender documents in order to open up space for current documents to be filed. This is a continuous activity, old tender documents are archived at least after every five years. The space is available for current documents.
Accrued Departmental Revenue: Expired Lease Agreements	2020/21	From the entire population a total number of 66 expired leases have been identified from the Debtors Register from the beginning of the financial year 2021/2022. 20 lease agreements have been terminated to date and below is the breakdown of the remaining 46 expired leases: Buildings (5) Cell Masts (17) - submission requesting to enter into new lease agreements on route for signature. Resorts (2) Farms (2) Houses (7) Plots (9) Tuck-shop (1) - At Specification Hair salon (1) Vacant land (2) The Department intends to terminate the expired lease agreements and enter into new lease agreements.
Accrued departmental revenue: Incorrect classification	2020/21	Reconciliation is being performed and once finalized, journals will be passed and billing performed on a monthly basis. Adjustments will be made once the matter is finalized.
Immovable Assets: Projects completed by year end not transferred out of work in progress	2020/21	A manual file is maintained and updated. Variation orders and new appointment letters for contracts awarded are filed accordingly. A reconciliation between the Commitments Register, Payment certificate/invoice and detailed report is performed to ensure correctness and validity after month-end closure.
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
Lease commitments (Expenditure): The fleet management register and property debtors register are incomplete	2020/21	The lease register is reviewed for accuracy; the differences are investigated. The contracts will be added, calculations will be corrected and adjustments made in the AFS.
SUM: Goods and services: Supporting documents for journal not provided as part of the journal batch	2020/21	The General Journal Checklist was reviewed and amended accordingly. The checklist has been circulated to all officials in Finance for implementation.
SCM: Participation on a panel of another organ of state not allowed i.t.o TR 16A.6.6	2020/21	All the bids are reviewed for compliance issues by risk and compliance unit the before the award is made. Evaluation report is signed off by Accounting Officer.
SCM: PPR 2017 Incorrect Calculation and Incorrect B-BBEE Points Awarded		

SCM: Winning contractors' CIDB grading	2020/21	The department is ensuring that all the RFQ awards are published on the CIDB website.
Goods and services: Property payments: Delegations override	2020/21	The Financial Delegations have been reviewed and have been circulated for further inputs and are on route to the Accounting Officer for approval.
SCM: Deviation not approved, award below R500 000	2020/21	All the deviations for the current financial year have been reported and recorded accordingly in the deviations register. The deviations are recorded as per the approval of the Accounting Officer or Provincial Treasury. The deviation register is reviewed and signed off by SCM Director.

10. INTERNAL CONTROL UNIT

The purpose of Internal Control Unit is to provide reasonable assurance regarding, the achievement of the Departments objectives in the following categories:

- Effectiveness and efficiency of operations
- Reliability of financial reporting; and
- Compliance with applicable laws and regulations

The unit carries out the following functions:

- To establish and nurture financial management policies and procedures;
- Ensure that all delegations exist and are updated annually and also ensure that they are approved by the Head of Department;
- Check payments for completeness and accuracy before final authorization on the system;
- Consolidate monthly and quarterly KCM (Key Control Matrix) reports and ensure that all supporting documents are available and filed accordingly;
- Consolidate all inputs on action plan and audit findings;
- Ensure that all inputs on PROPAC Resolutions are captured timely;
- To implement the administrative controls to ensure that policies and objectives are implemented in an efficient and effective manner, and to perform spot checks on subsistence and travelling payments;
- Review of samples of financial transactions processed for accuracy and completeness, and the accurate interpretation of policy directives;
- Oversee the effectiveness and use of movable assets and resources allocated.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

Internal Audit is responsible for assisting the Department to accomplish its objectives by applying a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance processes.

In the period under review, the Internal Audit Function (IAF) of the Free State Department of Public Works and Infrastructure continued to fulfil its mandate to provide an independent, objective assurance and consulting activity that is designed to add value and improve the department's operations; in line with the PFMA, Treasury Regulations and the King Report on Corporate Governance requirements.

The function is a fully in-house function and operates in accordance with the approved Internal Audit Charter, and the International Professional Practices Framework (IPPF) of 2017, reporting operationally to the Head of Department, and functionally to the Audit Committee.

The Audit Committee plays an important role in ensuring that an entity functions according to good governance, accounting and audit standards. It also monitors the adoption of appropriate risk management arrangement.

Internal Audit had and completed 15 planned audit projects for the 2021/2022 financial year. Types of engagements included in the planned projects:

- Risk based engagements
- Management requests
- Consulting services
- Direct assistance to the Auditor General

The following list constitutes the internal audit work completed, as per the plan, during the period of review:

- Review of the departmental draft Annual Financial Statements – 2020/2021
- Review of the departmental draft Annual Report – 2020/2021
- Direct assistance to the AGSA – Headcount
- Review of Governance
- Information and Communications Technology/Legal Services - Information and Communications Management
- Legal Services/Project Management/SCM/Works and Maintenance/Property Management - Contract Management
- Works Design, Construction and Maintenance/Property Management - Maintenance Projects
- Monitoring and Evaluation - Performance Information and Reporting for Quarter 2
- Property Management - Security Services
- Finance - End of 3rd Quarter Interim Financial Statements
- Supply Chain Management - Demand and Acquisition, Supply Chain, Risk and Performance

- Supply Chain Management/Finance Management - Logistics Management and 30 Day Payment
- Works Design, Construction and Maintenance/EPWP/Supply Chain Management - Efficient and effective completion and management of TRP infrastructural projects
- Risk Management
- EPWP – DORA Conditional Grant

Other engagements completed, included quarterly mandated as well as management requested assignments. These are:

- Review of the quarterly Interim Financial Statements (2nd and 3rd Quarters)
- Review of the quarterly Performance Information (2nd and 3rd Quarters)
- Review on the Identification of employees possibly performing remunerative work outside of public service

Other Internal Audit functions and services:

- CIPC Assessment of Personnel Interest
- Secretariat of the Audit Committee
- Management meetings
- Facilitation of Combined Assurance

The Shared Audit Committee (the Committee) has been constituted in terms of Section 77 of the Public Finance Management Act, read together with Sections 3.1.1 and 3.1.3 of the Treasury Regulations. The Shared Audit Committee's scope of work is determined by the requirements of Treasury Regulation 3.1.10, as well as the provisions of the Shared Audit Committee Charter. Accordingly, and in line with this Section, the Committee reviewed, among other things, the following:

- a) Effectiveness of the internal control systems;
- b) Effectiveness of the internal audit function;
- c) Risk areas of the Department's operations as covered in the scope of internal and external audits;
- d) Adequacy, reliability and accuracy of the financial information provided to
- e) Management and other users of such information;
- f) Any accounting and auditing concerns identified as a result of internal and external audits;
- g) The Department's compliance with legal and regulatory provisions, and
- h) The activities of the internal audit function, including its annual work programme, coordination with the external auditors, the reports of significant investigations and the responses of management to specific recommendations.

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

Name	Qualifications	Internal or external member	If Internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Mr G Higgins (Acting Chairperson)	B. Com B. Compt - Chartered Accountant (CA)	External	N/A	22 October 2021	Active member	1 out of 1
Ms K.F. Mphirime-Finger	B. Com B. Com (Hons) - M.Com	External	N/A	22 October 2021	Active member	1 out of 1
Ms D. Semppe	B. Com B. Compt - M.Com	External	N/A	22 October 2021	Active member	1 out of 1
Adv. Z.W Ngququ	B Proc	External	N/A	22 October 2021	Active member	1 out of 1
Mrs. MMD Nkomo	B. Com B. Com (Hons) - M.Com	External	N/A	Initial appointment: 01 September 2014 Re-appointment: 01 March 2018	Appointment period expired	1 out of 1
Mr S.G. Majola (Chairperson)	- Certificate in Theory of Accounting (CTA) B. Com Honors - Certified Internal Auditor (CIA)	External	N/A	Appointment date: 01 March 2018	Appointment period expired	4 out of 4
Mr. H. Ogu	- Master's in Business Admin (MBA) - Certified Internal Auditor (CIA) - Chartered Accountant (CA) - Bachelor of Science, Honors Degree in Accountancy (B.sc Hons)	External	N/A	Initial appointment: 01 September 2014 Re-appointment: 01 March 2018	Appointment period expired	4 out of 4
Adv. N. van Heerden	- Bachelor of Arts (BA) - Bachelor of Law – LLB	External	N/A	Appointment date: 01 March 2018	Appointment period expired	2 out of 4

The Table below provides an analysis of the Committee membership and meeting attendance related to the 2021/22 financial year:

Audit Committee Membership and Attendance: 2021/22

NAME	13 May 2021	26 May 2021	27 July 2021	09 September 2021	15 March 2022
Mr G Higgins (Acting Chairperson)	N/A	N/A	N/A	N/A	✓
Ms K Finger	N/A	N/A	N/A	N/A	✓
Ms Dibuseng Semppe	N/A	N/A	N/A	N/A	✓
Adv. W Ngququ	N/A	N/A	N/A	N/A	✓
Mrs. MMD Nkomo	✓	N/A	N/A	N/A	Ω
Mr S.G. Majola (Chairperson)	✓	✓	✓	✓	Ω
Mr. H. Ogu	✓	✓	✓	✓	Ω
Adv. N. van Heerden	X	X	✓	✓	Ω

Legend: -

✓: Member attended the Audit Committee meeting.

X: Member did not attend the Audit Committee meeting- apology noted

Ω: Previous Audit Committee members

12. AUDIT COMMITTEE REPORT

The Audit Committee (the Committee) is pleased to present its report for the financial year ended 31 March 2022.

THE AUDIT COMMITTEE RESPONSIBILITY

The Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

MEMBERSHIP AND ATTENDANCE

The Committee initially comprised of five (5) independent non-executive who served from April 2021 till September 2021. From October 2021 till year end, the Committee comprised of new members listed hereunder. During the financial year, the Committee met four (4) times, and a meeting attendance is reflected below:

The Table below provides an analysis of the Committee membership and meeting attendance related to the 2021/22 financial year:

Audit Committee Membership and Attendance: 2021/22

NAME	13 May 2021	26 May 2021	27 July 2021	09 September 2021	15 March 2022
Mr G Higgins (Interim Chairperson)	N/A	N/A	N/A	N/A	✓
Ms K Mphirime-Finger	N/A	N/A	N/A	N/A	✓
Ms D Semppe	N/A	N/A	N/A	N/A	✓
Mr. W Ngququ	N/A	N/A	N/A	N/A	✓
Ms. MMD Nkomo	✓	✓	◊	◊	Ω
Mr S.G. Majola (Former Chairperson)	✓	✓	✓	✓	Ω
Mr. H. Ogu	✓	✓	✓	✓	Ω
Adv. N. van Heerden	X	X	✓	✓	Ω

Legend: -

✓ : Member attended the Audit Committee meeting.

X: Member did not attend the Audit Committee meeting- apology noted

Ω: Previous Audit Committee members

N/A: New Audit Committee Members were appointed in October 2021

◊: Former chairperson of the Audit Committee who subsequently passed away

THE EFFECTIVENESS OF INTERNAL CONTROL

The Committee has reviewed the reports of management, Internal Auditors, Provincial Treasury, the audit report on the Annual Financial Statements and Management report of the Auditor-General of South Africa (AGSA). Based on the assurance provided by management, internal auditors and the AGSA, no material breakdown was reported in the system of internal control.

In our review of the Internal Audit reports, certain weaknesses relating to consistency in implementing and monitoring internal controls in the departmental operating activities were identified, and these were brought to attention of management.

Although some measures have been put in place to ensure that the internal control environment is stabilized, the ongoing efforts to enhance internal control measures are commendable.

THE EFFECTIVENESS OF INTERNAL AUDIT

The Department has established an internal audit unit which is an independent function from management, as required in terms of section 38(1)(a)(ii) of the PFMA. During the year, the internal audit unit operated in terms of the approved Internal Audit charter, developed a risk based internal audit annual plan, and reported quarterly to the Committee against the plan.

Internal Audit has reviewed the system of internal controls, performance information and risk management during the period under review. The Internal Audit Activity (IAA) operated effectively and addressed some of the pertinent risk areas in its audits.

The Committee is satisfied that the internal auditors are independent and objective, and accordingly conclude that the internal audit unit is effective

COMBINED ASSURANCE

The Department has developed a Combined Assurance Framework. This framework aims at helping the Department's management to understand the levels of assurance and where they would need to improve or manage the key risks.

The objectives of implementing this Combined Assurance Model are to:

- Identify and specify the role players and sources of assurance over the Department's risks;
- Provide executive management, the Accounting Officer, Risk Management, the Audit Committee with a framework of the various assurance providers;
- Link Risk Management activities with assurance activities to assist the Accounting Officer and oversight bodies to review the effectiveness of the risk management system;
- Provide a basis for identifying any areas of potential assurance gaps; and
- Consolidate the risk and assurance profile.

The Departmental Combined Assurance Forum plays a significant role in providing management oversight on the implementation of the framework.

The Committee is satisfied that the implementation of combined assurance is functional and effective. The Committee is comfortable with the self-assessment.

RISK MANAGEMENT

The Department has a separate Risk and Ethics Management Committee chaired by an external independent Chairperson. The Risk Management Committee (REMC) provided oversight on the development and implementation of the risk management policies, the risk assessment process, and the development of the strategic risk register as well as ethics management. Management is ultimately responsible for maintaining an effective risk management process.

The Committee has assessed the adequacy of the Department's risk management processes, which are guided by a risk management framework. The Committee has considered the reports of the Provincial Treasury and of the Chairperson of the RMC, and noted progress made by management to implement the RMC's recommendations.

IN-YEAR MANAGEMENT AND QUARTERLY REPORT

The Audit Committee is satisfied with the content and quality of management and quarterly reports prepared and issued during the year under review in compliance with the statutory framework. The Audit Committee has engaged with management to remedy shortcomings, especially relating to reports on performance against predetermined objectives.

The Audit Committee has reviewed and commented on the department's annual financial statements and report on performance information and their timely submission to the external auditors by 31 May 2022.

The Audit Committee has reviewed the reports issued to National Treasury and is comfortable that the department is meeting its obligation in terms of DORA and have recognised revenue to the extent that conditions have been met.

EVALUATION OF THE FINANCE FUNCTION

The Audit Committee notes the vacancy rate within the financial management and there is a need to address this vacancy rate to enable this section to enhance its performance. On the whole, the Audit Committee is satisfied with the department's finance function during the year under review.

PERFORMANCE MANAGEMENT

Part of the responsibilities of the Audit Committee includes the review of performance management. The Audit Committee has in terms of the performance of the department performed the following functions:

- Review and comment on compliance with statutory requirements and performance management best practices and standards;
- Review and comment on the alignment of the annual performance plan, budget, strategic plan, corporate plan and performance agreements;
- Review and comment on the relevance of indicators to ensure that they are measurable and relate to services performed by the department;
- Review of reported noncompliance with legislation;
- Review of compliance with in year reporting requirements;
- Review of the quarterly performance reports submitted by the internal audit function;

- Review and comment on the department's performance management system and making recommendations for its improvement.

The Audit Committee is satisfied that the performance report has been prepared in terms of the PFMA, the Treasury Regulations and any other related regulatory requirements for reporting performance.

EVALUATION OF THE ANNUAL FINANCIAL STATEMENTS

The Audit Committee has reviewed the annual financial statements, which focused on the following:

- Significant financial reporting judgements and estimates contained in the annual financial statements;
- Clarity and completeness of disclosures and whether disclosures made have been set properly in context;
- Quality and acceptability of, and any changes in, accounting policies and practices;
- Compliance with accounting standards and legal requirements;
- Significant adjustments and/or unadjusted differences resulting from the audit;
- Reflection of unusual circumstances or events and management's explanation for the accounting treatment adopted;
- Reasons for major year-on-year fluctuations;
- Asset valuations;
- Calculation and levels of general and specific provisions; and
- The basis for the going concern assumption, including any financial sustainability risks and issues.

The Audit Committee is comfortable that the annual financial statements have been prepared in terms of MCS and the PFMA.

AUDITOR-GENERAL'S REPORT

The Audit Committee concurs with and accepts the conclusion and audit opinion of the external auditors on the annual financial statements. The Committee is of the view that the audited financial statements be accepted and read together with the report of the external auditors. The Audit Committee confirms that it has provide adequate oversight throughout the audit process.

The Audit Committee further concurs with the audit opinion issued by AGSA on Annual Financial Statements of the Free State Department of Public Works and Infrastructure and congratulates the department on the achievement of the unqualified audit opinion on the AFS but would like to see improvements to achieve the clean administration.

The Audit Committee has met with the external auditors to ensure that there are no unresolved issues, and acknowledges the diligence and cooperation of the external audit team.

CONCLUSION

The Committee is confident that through the guidance it provides, and the cooperation by management, internal controls and good governance practices would be enhanced. The Committee would like to thank the Executive Authority, the HOD and management for their support throughout the year. Special appreciation also goes to the AGSA, Provincial Treasury and the Internal Audit team for their support and professionalism in the performance of their mandates.

On behalf of the Audit Committee:



MR G HIGGINS
CHAIRPERSON (INTERIM): AUDIT COMMITTEE
31 JULY 2022

13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE Act of 2013 and as determined by the Department of Trade and Industry.

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	To the best of my knowledge the Department has not issued any licences, concessions or other authorisations which were undertaken by the Directorate: SCM.
Developing and implementing a preferential procurement policy?	No	The Department has incorporated the objectives of Preferential Procurement Policy Framework Act in its SCM policy as guided by the Preferential Procurement Regulations of 2017 (PPPFA Regulations).
Determining qualification criteria for the sale of state-owned enterprises?	No	To the best of my knowledge this guided by the Free State Land Administration Act, Act No. 21 of 1998.
Developing criteria for entering into partnerships with the private sector?	No	PFMA, 16.2.1 states that, "Only the accounting officer or the accounting authority of an institution may enter into a PPP agreement on behalf of that institution." PFMA, 16.3 to 16.10 outlines the process which must be followed should an organ of state want to form a PPP agreement. This includes the registration of the PPP agreement with relevant treasury, step by step process and approval by such a treasury.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	PPPFA Regulations of 2017 provides a guideline of how organs of state must achieve the objectives of BBBEE Act. This guidelines are strictly in relation to the tendering processes and how organs of state may give preference to qualifying enterprises as and when the submit tenders or quotations. This is the piece of legislation which the Department relies on when creating opportunities for sub – contracting in various projects, including those which are not regulated by the CIDB. The Department also relies on the CIDB Regulations and its methods and procedures for preferential procurement to create preferential procurement opportunities for qualifying enterprises. Determining criteria for awarding of other incentives outside the above legislative framework is possibly undertaken by DESTEA, PT and/or other relevant organs of state.



Part D

HUMAN RESOURCE MANAGEMENT

CONTENTS

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1. INTRODUCTION

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

2. OVERVIEW OF HUMAN RESOURCES

The Department of Public Works and Infrastructure pays all staff members appointed on a permanent, contract, temporary, part time / periodical basis (e.g. members of the Audit committee) inclusive of learners and interns by utilising the Persal system.

The 1295 staff members are appointed to appropriate posts within the Departmental budget Programmes / structure as follows:

- Programme 1: Administration (13,5%)
- Programme 2: Public Works (84,3%)
- Programme 3: Expanded Public Works Programme (2,1%)

Technical capacity falls within Programme 2: Public Works and is outlined in the diagram below which differentiate the role difference between property management and the works component.

Program 2: Technical Roles



With regards to the aforementioned the department has developed technical capacity to a satisfactory level with registered professionals in the disciplines of Construction Project Management, Civil Engineering, Electrical Engineering, Mechanical Engineering, Quantity Surveying and Architecture. This capacity is supplemented by employees in the occupation class works inspector, the artisan and tradesman aids occupations. This technical capacity operates within the Infrastructure Delivery Management System consists of three delivery processes:

DP1: Portfolio Management

DP2: Project Implementation Management

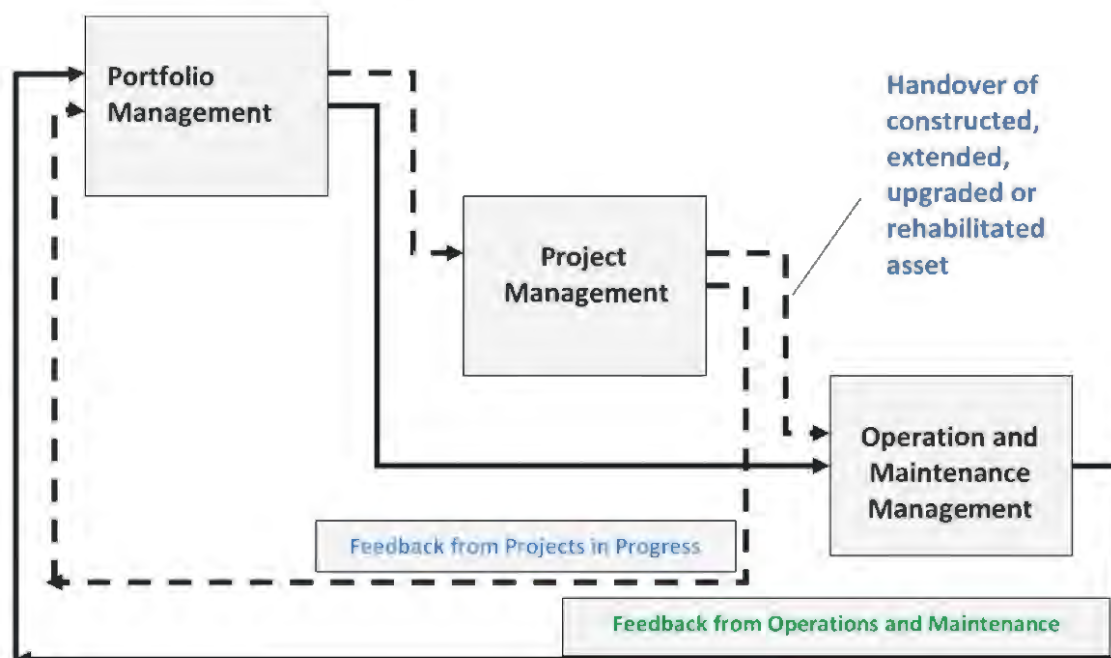
DP3: Operations and Maintenance Management

The three delivery processes address the management of two distinct, but closely related portfolios, i.e.:

- The provincial portfolio of immovable assets developed (1) in support of the provincial government's service delivery objectives, and (2) in terms of infrastructure norms and standards; and
- The provincial portfolio of projects implemented to address (1) the need for additional immovable assets and (2) to improve the utilisation, functionality and condition of the existing immovable assets.

The linkages between the three delivery processes and the respective portfolio management functions are shown in the Figure below. The Immovable Asset Portfolio Management (property management) function is shown in green and the Project Portfolio Management function is shown in blue (dashed).

Delivery Processes for Portfolio Management Functions



The two portfolios can be differentiated as follows: All provincial government Departments are involved in the management of both portfolios, but with clear differentiation of key roles in terms of the management of each portfolio.

Furthermore, the Department has an approved service delivery model and its functions and or outputs are delivered by competent staff in accordance with such. The growth and development of staff to oversee the establishment of social infrastructure is contributing to the national development plan, national skills development strategy and Free State Vision 2030.

Human resource priorities for the year under review and the impact of these:

- Recruitment, retention and development of technical and professional staff
- Develop competency levels of staff
- Representativity
- Health and Wellness
- Ethics and integrity management

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

- Planning the totality of the Departmental workforce;
- Developing a capable and skilled workforce that is striving towards service excellence;
- Setting guidelines to strengthen leadership and develop human capital by attracting, retaining scarce, valued and critically required skills for department;
- Equip professionals with appropriate computer software, and ensure continuous professional development.

Employee performance management:

- Employees are assessed in terms of the performance management system applicable to salary levels 1-12 and SMS levels.

Employee wellness programmes

During the year under review the employee wellness programme which has a focus on face-to-face interaction operated in terms of the Covid-19 norms and standards. During this period the Minister of Co-operative Governance and Traditional Affairs gazetted Regulations in terms of Section 27 (2) of the Disaster Management Act, 2002 in terms of various alert risk levels in response to the Covid-19 pandemic. These risk levels varied between adjusted alert level 3 and alert level 1 during the year under review. The practice of social distancing, wearing a mask and limitations on gatherings were the prime restrictions with only 50% of staff present, depending on the alert level. During the last quarter of 2021/2022 100% of staff were present at the work place.

Any employer of choice is measured against the success of the employee's health and wellness programme. Departmentally, this programme which relies on close co-operation with line management and all role players seeks to achieve a healthy and productive workforce. Central to this, the Departmental health and wellness programme is dealing with the scourge of HIV/AIDS and other sexually transmitted illness/disease as well as TB and other health risks e.g. non-communicable illnesses and mental illness/disorder.

The Department has approved policies covering the pillars of Employee Health and Wellness, namely HIV/AIDS, STI and TB Management, Health and Productivity Management, SHERQ (Safety, Health, Environment, Risk and Quality) Management as well as Wellness Management.

Achievements and challenges faced by the Department, as well as future Human Resource Plans /Goals:

During the period under review the Human Resources Management managed to achieve the 3 targets outlined in the performance plan.

In the annual report of 2020/2021 it was reported that the department due to financial pressures resulting from the Covid-19 pandemic was required to defer the filling of certain posts to the filling to the 2021/2022 financial year. This was achieved and the department appointed /promoted 116 staff members to these, critical funded posts within the allocated compensation budget. This recruitment exercise included 4 registered professionals within Construction Project Management, Structural Engineering and Quantity Surveying. 3 of these are female. Furthermore 42 other posts

were filled within the other technical, Artisan and related cadres. Of these 42 appointments 19 were suitably qualified females within this previously male dominated area. In this environment of cybercrime, we appointed a suitably qualified IT security specialist to safeguard our IT systems and records, whilst posts within Internal Audit and Internal Control strengthened corporate governance and financial controls. The remaining posts addressed other capacity shortcomings within cleaning, security, legal services, finance and supply chain management.

The department furthermore implemented its skills development strategy for the financial year under review where specific emphasis was placed on the interventions outlined in the workplace skills plan. Professionals were afforded the opportunity to undergo CPD training specific to the professions, compulsory induction programme, health and safety interventions such as first aid working at heights (erector of scaffolding) advance course in contracts, specification inspection and reinforcement of concrete structures, fraud detection and in particular Covid-19 cleaning protocols for the cleaning and hygiene staff as well as compulsory ethics in the public service. The National School of Governance (NSG) provided customised ethics training for 250 employees on salary levels 1-4 from security and housekeeping who are not office based. This intervention assists to equip these staff members with knowledge and skills to make ethical decisions to prevent fraud and combat corruption in the department.

Furthermore, the Department applied the ethical principles outlined in the Code of Conduct for the Public Service and the Financial Disclosure Framework provided for by the Minister for the Public Service and Administration. The Departmental Compliance was 100% for all categories of staff who are required to disclose their business interests. In addition, the Department also complied with the life style audit imperatives introduced into the Public Service by the Department of Public Service and Administration. 21 life style reviews were concluded. None of them demonstrated any red flags hereby confirming the proactive approach of the department to inform staff of the necessity to maintain ethical standards, on a regular basis.

During the period under review the department embarked on a process to review the departmental structure and have identified shortcomings within construction procurement and inventory stores. During the 2022/2023- 2024/2025 MTEF period the department will establish a fully functional inventory store in each of the regions. This will render support to our technical teams and shorten the time frames to finalise emergency and other maintenance issues required of our district offices. For the 2022/2023 financial year the Department will strengthen our SCM environment and after an appropriate skills audit implement the necessary skills development or other interventions. In addition, the department has targeted professionalising our immovable asset management chief directorate, with special emphasis on revenue generation mechanisms.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1. Personnel related expenditure

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

- amount spent on personnel.
- amount spent on salaries, overtime, homeowner's allowances and medical aid.

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2021 to 31 March 2022

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	136 823	99 183	-	-	72.50	525
EPWP	91 860	16 792	-	-	18.30	646
Public Works Infrastructure	1 617 294	328 387	-	-	20.30	300
Total	1 845 977	444 362	-	-	24.10	339

Table 3.1.2 Personnel costs by salary band for the period 1 April 2021 to 31 March 2022

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	38 043	8.40	198	192 140
Skilled (level 3-5)	188 877	41.70	744	253 870
Highly skilled production (levels 6-8)	89 206	19.70	198	450 535
Highly skilled supervision (levels 9-12)	100 409	22.15	137	732 912
Senior and Top management (levels 13-16)	33 278	7.33	24	732 912
Total	449 813	20.40	1301	345 744

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2021 and 31 March 2022

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
ADMINISTRATION	82 080	81.80	104	0.10	2 767	2.80	5 420	5.40
EPWP	14 687	85.80	0.00	0.00	364	2.10	554	3.20
PUBLIC WORKS INFRASTRUCTURE	251 671	74.90	1 408	0.40	16 024	4.80	32 319	9.60
Total	348 438	76.90	1 512	0.30	19 155	4.20	38 294	8.40

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2021 and 31 March 2022

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)	26 592	69.90	373	1	2 652	7.20	5 294	14.40
Skilled (level 3-5)	136 833	72.40	712	0.40	10 963	5.90	23 373	12.50
Highly skilled production (levels 6-8)	69 951	77.90	214	0.20	3 426	3.80	6 287	7.00
Highly skilled supervision (levels 9-12)	85 391	83.20	213	0.20	1 688	1.70	3 079	3.10
Senior management (level 13-16)	29 670	87.70	0.00	0.00	427	1.40	261	0.80
Total	348 438	76.90	1 512	0.30	19 155	4.20	38 294	8.40

3.2. Employment and Vacancies

The tables in this section summarise the position with regard to employment and vacancies.

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment.

This information is presented in terms of three key variables:

- programme
- salary band
- critical occupations (see definition in notes below).

Departments have identified critical occupations that need to be monitored. In terms of current regulations, it is possible to create a post on the establishment that can be occupied by more than one employee. Therefore, the vacancy rate reflects the percentage of posts that are not filled.

Table 3.2.1 Employment and vacancies by programme as on 31 March 2022

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
ADMINISTRATION	224	181	19.20	1
EPWP	34	26	23.50	0
PUBLIC WORKS INFRASTRUCTURE	1 259	1094	13.10	0
Total	1 517	1 301	14.20	1

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2022

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	210	198	6.00	0
Skilled (3-5)	846	744	12.20	0
Highly skilled production (6-8)	267	198	26.30	0
Highly skilled supervision (9-12)	167	137	18.50	0
Senior management (13-16)	27	24	12.00	1
Total	1 517	1 301	14.20	1

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2022

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
All Artisans in the Building Metal Machinery Etc.	144	104	27.80	0
Architects Town and Traffic Planners	4	2	50	0
Artisan Project and Related Superintendents	13	13	0	0
Engineering Sciences Related	7	6	14.30	0
Engineers and Related Professionals	24	16	33.30	0
Inspectors of Apprentices Works and Vehicles	71	51	28.20	0
Quantity Surveyors and Related Professionals not class elsewhere	9	7	22.20	0
Total	272	199	24.40	0

Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
 - in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
 - for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
 - where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
 - in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

3.3. Filling of SMS Posts

The tables in this section provide information on employment and vacancies as it relates to members of the Senior Management Service by salary level. It also provides information on advertising and filling of SMS posts, reasons for not complying with prescribed timeframes and disciplinary steps taken.

Table 3.3.1 SMS post information as on 31 March 2022

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Salary Level 15	1	0	0	1	100
Salary Level 14	6	5	83	1	16.6
Salary Level 13	18	17	94	1	5.5
Total	26	23	88	3	12

Table 3.3.2 SMS post information as on 30 September 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
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Salary Level 15	1	0	0	1	100
Salary Level 14	6	5	83	1	16.7
Salary Level 13	18	17	94	1	5.5
Total	26	23	88	3	12

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2021 and 31 March 2022

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 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	1	0	0
Salary Level 14	1	0	0
Salary Level 13	0	0	0
Total	2	0	0

To be filled in the 2022/23 financial year

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2021 and 31 March 2022

Reasons for vacancies not advertised within six months
Due to the Premier's moratorium

Reasons for vacancies not filled within twelve months
Due to the Premier's moratorium

Notes

- In terms of the Public Service Regulations Chapter 1, Part VII C.1A.3, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2021 and 31 March 2022

Reasons for vacancies not advertised within six months
Not applicable

Reasons for vacancies not filled within six months
Not applicable

Notes

- In terms of the Public Service Regulations Chapter 1, Part VII C.1A.2, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes. In the event of non-compliance with this regulation, the relevant executive authority or head of department must take appropriate disciplinary steps in terms of section 16A(1) or (2) of the Public Service Act.

3.4. Job Evaluation

Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2021 and 31 March 2022

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)	210	0	0.00	0	0.00	0	0.00
Skilled (Levels 3-5)	846	0	0.00	0	0.00	0	0.00
Highly skilled production (Levels 6-8)	267	0	0.00	0	0.00	0	0.00
Highly skilled supervision (Levels 9-12)	167	0	0.00	0	0.00	0	0.00
Senior Management Service Band A	18	0	0.00	0	0.00	0	0.00
Senior Management Service Band B	6	0	0.00	0	0.00	0	0.00
Senior Management Service Band C	1	0	0.00	0	0.00	0	0.00
Senior Management Service Band D	2	0	0.00	0	0.00	0	0.00
Total	1 517	0	0.00	0	0.00	0	0.00

DPSA terminated job evaluation system

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

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2021 and 31 March 2022

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

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2021 and 31 March 2022

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Total number of employees whose salaries exceeded the level determined by job evaluation				Not applicable
Percentage of total employed				Not applicable

The following table summarises the beneficiaries of the above in terms of race, gender, and disability.

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2021 and 31 March 2022

Gender	African	Asian	Coloured	White	Total
Female	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Male	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Total	0	0	0	0	0

Employees with a disability	0	0	0	0	0
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Notes

- If there were no cases where the salary levels were higher than those determined by job evaluation, keep the heading and replace the table with the following:

Total number of Employees whose salaries exceeded the grades determine by job evaluation	None
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3.5. Employment Changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band and critical occupations (see definition in notes below).

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2021 and 31 March 2022

Salary band	Number of employees at beginning of period-1 April 2021	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	181	30	9	5
Skilled (Levels3-5)	754	47	52	6.9
Highly skilled production (Levels 6-8)	203	6	14	6.9
Highly skilled supervision (Levels 9-12)	131	4	8	5.3
Senior Management Service Bands A	16	0	0	0
Senior Management Service Bands B	6	0	0	0
Senior Management Service Bands C	2	0	0	0
Senior Management Service Bands D	0	0	0	0
Contracts	2	0	0	0
Total	1295	87	83	6.40

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2021 and 31 March 2022

Critical occupation	Number of employees at beginning of period-April 2021	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
All Artisans in the Building Metal Machinery Etc.	102	12	10	9.8
Architects Town and Traffic Planners	2	0	0	0
Artisan Project and Related Superintendents	12	0	2	16.7
Engineering Sciences Related	7	0	1	14.3
Engineers and Related Professionals	15	2	1	6.7
Inspectors of Apprentices Works and Vehicles	57	1	7	12.3
Quantity Surveyors and Related Professionals not class elsewhere	8	0	1	12.5
TOTAL	203	15	22	10.80

Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
 - (a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
 - (b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
 - (c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
 - (d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

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

Table 3.5.3 Reasons why staff left the department for the period 1 April 2021 and 31 March 2022

Termination Type	Number	% of Total Resignations
Death	10	12.1
Resignation	33	39.8
Expiry of contract	7	8.4
Dismissal – operational changes	0	0
Dismissal – misconduct	5	6
Dismissal – inefficiency	0	0
Discharged due to ill-health	1	1.2
Retirement	27	32.5
Transfer to other Public Service Departments	0	0
Other	0	0
Total	83	100
Total number of employees who left as a % of total employment	6.4	

Table 3.5.4 Promotions by critical occupation for the period 1 April 2021 and 31 March 2022

Occupation	Employees 1 April 2021	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
All Artisans in the Building Metal Machinery Etc.	102	0	0	116	114
Architects Town and Traffic Planners	2	0	0	2	100
Artisan Project and Related Superintendents	12	3	25	11	92
Engineering Sciences Related	7	0	0	6	86
Engineers and Related Professionals	15	1	6.70	17	113
Inspectors of Apprentices Works and Vehicles	57	1	1.80	56	98
Quantity Surveyors and Related Professionals not class elsewhere	8	1	12.50	7	88
Senior Managers	20	0	0	18	90
TOTAL	223	6	2.7	233	104

Table 3.5.5 Promotions by salary band for the period 1 April 2021 and 31 March 2022

Salary Band	Employees 1 April 2021	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 1-2)	181	0	0	199	110
Skilled (Levels 3-5)	754	3	0.4	749	99
Highly skilled production (Levels 6-8)	203	7	4	229	113
Highly skilled supervision (Levels 9-12)	131	11	9	138	105
Senior Management (Level 13-18)	26	0	0	23	89
Total	1295	21	2	1338	104

3.6. Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2022

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	10	0	0	1	6	1	0	1	19
Professionals	27	1	1	5	19	5	0	5	63
Technicians and associate professionals	39	1	0	6	62	3	0	9	120
Clerks	36	2	0	5	96	3	0	12	154
Service and sales workers	181	8	0	2	235	2	0	3	431
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	00	0
Craft and related trades workers	118	3	0	6	41	0	0	0	168
Plant and machine operators and assemblers	2	0	0	0	0	0	0	0	2
Elementary occupations	138	1	0	1	196	8	0	0	344
Total	551	16	1	26	655	22	0	30	1 301
Employees with disabilities	21	0	0	1	12	1	0	3	38

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	1	0	0	0	2
Senior Management	10	0	0	1	8	2	0	1	22
Professionally qualified and experienced specialists and mid-management	55	2	1	12	56	4	0	7	145
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	90	5	0	12	67	3	0	21	210
Semi-skilled and discretionary decision making	333	9	0	1	395	5	0	1	743
Unskilled and defined decision making	62	0	0	0	128	8	0	0	198
Total	551	16	1	26	655	22	0	30	1301

Table 3.6.3 Recruitment for the period 1 April 2021 to 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	2	0	0	0	2	0	0	0	4
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	4	0	0	0	1	1	0	0	6
Semi-skilled and discretionary decision making	22	0	0	0	24	1	0	0	47
Unskilled and defined decision making	19	0	0	0	11	0	0	0	30
Total	47	0	0	0	38	2	0	0	87
Employees with disabilities	0	0	0	0	1	0	0	0	1

- Excludes posts filled by internal promotion of staff after interviews process

Table 3.6.4 Promotions for the period 1 April 2021 to 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	0	0	0	0	1
Senior Management	10	0	0	1	8	2	0	1	22
Professionally qualified and experienced specialists and mid-management	57	2	1	12	59	4	0	6	149
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	101	0	0	14	78	3	0	22	231
Semi-skilled and discretionary decision making	339	0	0	1	399	3	0	1	743
Unskilled and defined decision making	61	0	0	0	130	8	0	0	199
Total	589	16	1	28	674	20	0	30	1 338
Employees with disabilities	21	0	0	1	13	1	0	3	39

The improvement in conditions of service for both members of the senior management and salary levels 1 – 12 as outlined in DPSA circulars number 21 of 2021 and 13 of 2022 were implemented programmatically. Above provided for notch/ non-pensionable allowance for employees on maximum that left the department as well.

Table 3.6.5 Terminations for the period 1 April 2021 to 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	0	0	0	0	1
Senior Management	5	0	0	0	2	0	0	0	7
Professionally qualified and experienced specialists and mid-management	12	0	0	2	2	0	0	0	16
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	24	0	0	0	4	0	0	0	24
Semi-skilled and discretionary decision making	4	0	0	0	23	0	0	1	28
Unskilled and defined decision making	0	0	0	0	5	0	0	0	5
Total	46	0	0	2	34	0	0	0	83
Employees with Disabilities	0	0	0	1	0	0	0	0	1

Table 3.6.6 Disciplinary action for the period 1 April 2021 to 31 March 2022

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Fraud / Negligence	1	0	0	0	3	0	0	0	4
Misuse of state vehicle	1	0	0	0	0	0	0	0	1
Violation of safety measures under Covid-19 regulations	1	0	0	0	0	0	0	0	1
Gross misconduct: Breach of safety and security standards.	1	0	0	0	0	0	0	0	1
Sexual Harassment	1	0	0	0	0	0	0	0	1
Insubordination	0	0	0	0	1	0	0	0	1
Absenteeism / under influence of alcohol	1	0	0	0	0	0	0	0	1
Negligent performing of duties	2	0	0	0	2	0	0	0	4
TOTAL	8	0	0	0	6	0	0	0	14

Table 3.6.7 Skills development for the period 1 April 2021 to 31 March 2022

Occupational category	Male					Female					Total
	African	Coloured	Indian	White	S-TT	African	Coloured	Indian	White	S-TT	
Legislators, senior officials and managers	12	0	0	1	13	12	1	0	3	16	87
Professionals	20	1	1	12	34	18	2	0	4	24	174
Technicians and associate professionals	28	3	0	8	39	22	1	0	14	37	228
Clerks	97	9	0	17	123	169	3	0	12	184	921
Service and sales workers	26	3	0	4	33	19	3	0	3	25	174
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0	0	0
Craft and related trades workers	2	0	0	0	2	5	0	0	1	6	24
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0	0	0
Elementary occupations	190	5	0	0	195	259	11	0	4	274	1 407
Total	375	21	1	42	439	504	21	0	41	566	1 005
Employees with disabilities (Included above)	8	2	0	1	9	11	1	0	1	13	22

(Refers to courses attended/completed)

3.7. Signing of Performance Agreements by SMS Members

All members of the SMS must conclude and sign performance agreements within specific timeframes. Information regarding the signing of performance agreements by SMS members, the reasons for not complying within the prescribed timeframes and disciplinary steps taken is presented here.

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2021

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	1	1	100
Salary Level 16	Not applicable	Not applicable	Not applicable	Not applicable
Salary Level 15	1	0	0	Not applicable
Salary Level 14	5	5	5	100
Salary Level 13	19	17	17	100
Total	25	23	23	100

Notes

- In the event of a National or Provincial election occurring within the first three months of a financial year all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example, if elections took place in April, the reporting date in the heading of the table above should change to 31 July 2021.

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2022

Reasons
Not applicable
Not applicable

Notes

- The reporting date in the heading of this table should be aligned with that of Table 3.7.1.

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2022

Reasons
Not applicable
Not applicable

Notes

- The reporting date in the heading of this table should be aligned with that of Table 3.7.1.

3.8. Performance Rewards

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations (see definition in notes below).

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2021 to 31 March 2022

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	54	530	10.20	811	15 016
Female	71	643	11.00	994	14 001
Asian					
Male	0	1	0	-	0
Female	0	0	0	-	0
Coloured					
Male	3	16	18.80	26.41	8 803
Female	0	21	0	-	0
White					
Male	3	25	12.00	67.13	22 377
Female	7	27	25.90	120.91	17 273
Employees with disabilities	3	38	7.90	45.58	15 194
Total	141	1 301	10.80	2 066	14 645

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2021 to 31 March 2022

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (Levels 1-2)	11	198	6	66	6 006	3
Skilled (level 3-5)	60	744	8	509	8 483	25
Highly skilled production (level 6-8)	40	198	20	547	13 675	26
Highly skilled supervision (level 9-12)	30	138	22	943	31 433	46
Total	141	1 277	11	2 065	14 645	100

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2021 to 31 March 2022

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
All Artisans in the Building Metal Machinery Etc.	10	104	9.60	128	12 780
Architects Town and Traffic Planners	0	2	0	-	0
Artisan Project and Related Superintendents	2	13	15.40	40	20 209
Engineering Sciences Related	1	16	6.30	32.84	32 835
Electrical and Electronics Engineering Technicians	0	1	0	-	0
Engineers and Related Professionals	0	6	0	-	0
Inspectors of Apprentices Works and Vehicles	5	51	9.80	68	13 601
Quantity Surveyors and Related Professionals not class elsewhere	0	7	0	-	0
Total	18	200	9	269.84	14 936

Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
 - in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
 - for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
 - where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
 - in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees;

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2021 to 31 March 2022

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	0	17	0	-	0	21 304
Band B	0	5	0	-	0	8 213
Band C	0	0	0	-	0	0
Band D	0	2	0	-	0	4 316
Total	0	24	0	-	0	33 833

3.9. Foreign Workers

The tables below summarise the employment of foreign nationals in the department in terms of salary band and major occupation.

Table 3.9.1 Foreign workers by salary band for the period 1 April 2021 and 31 March 2022

Salary band	01 April 2021		31 March 2022		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled (Level 1-2)	0	0	0	0	0	0
Skilled (Level 3 –5)	2	50	1	33	-1	100
Highly skilled production (Lev. 6-8)	0	0	0	0	0	0
Highly skilled supervision (Lev. 9-12)	2	50	2	67	0	0
Contract (level 9-12)	0	0	0	0	0	0
Contract (level 13-16)	0	0	0	0	0	0
Total	4	100.00	3	100	-1	100

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2021 and 31 March 2022

Major occupation	01 April 2021		31 March 2022		Change	
	Number	% of total	Number	% of total	Number	% Change
Administrative Office Workers	0	0	0	0	0	0
Craft and related Trades Workers	1	25	0	0	-1	100
Elementary Occupations	1	25	1	33	0	0
Professionals and Managers	2	50	2	67	0	0
Total	4	100	3	100	-1	100

3.10. Leave utilisation

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

Table 3.10.1 Sick leave for the period 1 January 2021 to 31 December 2022

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)
Lower Skills (Level 1-2)	829	92.60	123	13.20	7.0	473
Skilled (levels 3-5)	4 266	82.30	579	62.30	7.0	3 244
Highly skilled production (levels 6-8)	1 143	89.70	143	15.40	8.0	1 767
Highly skilled supervision (levels 9 - 12)	609	88.30	74	8.00	8.0	1 685
Top and Senior management (levels 13-16)	78	88.50	10	1.1	8.0	360
Total	6 925	85.40	929	100	7.0	7 512

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2021 to 31 December 2022

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)
Lower skilled (Levels 1-2)	160	100	5	13.20	32	92
Skilled (Levels 3-5)	917	100	19	50	48	725
Highly skilled production (Levels 6-8)	89	100	7	18.40	13	125
Highly skilled supervision (Levels 9-12)	200	100	5	13.20	40	580
Senior management (Levels 13-16)	144	100	2	5.30	72	613
Total	1 510	100	38	100	40	2 135

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

Table 3.10.3 Annual Leave for the period 1 January 2021 to 31 December 2022

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	3 896	192	44
Skilled (Levels 3-5)	17 844.68	889	27
Highly skilled production (Levels 6-8)	5 428	213	46
Highly skilled supervision (Levels 9-12)	3 396	134	38
Senior management (Levels 13-16)	583	24	53
Total	31 147.68	1 452	21

Table 3.10.4 Capped leave for the period 1 January 2021 to 31 December 2022

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2022
Lower skilled (Levels 1-2)	0	0	0	0
Skilled (Levels 3-5)	38.58	11	4	50
Highly skilled production (Levels 6-8)	38	77	10	44
Highly skilled supervision (Levels 9-12)	8	29	4	56
Senior management (Levels 13-16)	0	4	0	45
Total	84.58	269	5	49

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

Table 3.10.5 Leave pay-outs for the period 1 April 2021 and 31 March 2022

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave pay-out for 2020/21 due to non-utilisation of leave for the previous cycle	57	1	57 000
Capped leave pay-out on termination of service for 2021/22	2 017	25	80 680
Current leave pay-out on termination of service for 2021/22	1 542	66	46 945
Total	3 616	92	184 625

3.11. HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
Relevant employees	Awareness sessions, prevention information and VHCT screenings/promotions

Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		Acting Chief Director: Corporate Services
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		Employee Health and Wellness unit Head: Employee Health and Wellness One staff member responsible with the task of promoting the health and well – being of employees
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		Employee Assistance Programme – assistance with psychological and work life balance for employees, interns and their immediate family members. Health programmes are aligned with National Department of Health calendar. Awareness, presentation sessions, roadshows and health screenings are done. Need analysis is done on a monthly basis and through consultations. Key elements: physical/nutritional, emotional, social, spiritual, intellectual, financial and environmental
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		At the districts they are staff members nominated for the smooth running of Employee Health and Wellness programme.
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		- HIV/AIDS, STI and TB Management policy - Health and Productivity Management policy - Wellness Management policy All of the above mentioned policies do not discriminate against employees on the basis of their HIV status.
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.			The policies states clearly how the department deals with such incidences.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	Yes		VHCT is conducted with the help of GEMS service providers periodically and confidentiality of results are safeguarded. 38 tested negative 6 tested positive
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Yes		Provision for health promotion programs to employees at all levels in all the districts.

3.12. Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2021 and 31 March 2022

Subject matter	Date
Total number of collective agreements	None

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

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2021 and 31 March 2022

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning (Informal disciplinary action)	1	7%
Final written warning (Informal disciplinary action)	4	29%
Final written warning (Formal disciplinary hearing)	0	0
Suspended without pay	7	50%
Fine	0	0
Demotion	0	0
Dismissal	2	14%
Not guilty	0	0
Case withdrawn	0	0
Total	14	100%

Notes

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

Total number of Informal Disciplinary Cases finalised	5
Total number of Disciplinary hearings finalised	9
Total number of Disciplinary hearings pending	5

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2021 and 31 March 2022

Type of misconduct	Number	% of total
Fraud / Negligence	4	29%
Misuse of state vehicle	1	7%
Violation of safety measures under Covid-19 regulations	1	7%
Gross misconduct: breach of safety and security standards	1	7%
Sexual harassment	1	7%
Insubordination	1	7%
Absenteeism / under influence of alcohol	1	7%
Negligent performing of duties	4	29%
Total	14	100%

Table 3.12.4 Grievances logged for the period 1 April 2021 and 31 March 2022

Grievances	Number	% of Total
Number of grievances resolved	4	67%
Number of grievances not resolved	2	33%
Total number of grievances lodged	6	100%

Table 3.12.5 Disputes logged with Councils for the period 1 April 2021 and 31 March 2022

Disputes	Number	% of Total
Number of disputes pending	4	33%
Number of disputes upheld	1	9%
Number of disputes dismissed	7	58%
Total number of disputes lodged	12	100%

Table 3.12.6 Strike actions for the period 1 April 2021 and 31 March 2022

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

Table 3.12.7 Precautionary suspensions for the period 1 April 2021 and 31 March 2022

Number of people suspended	0
Number of people whose suspension exceeded 30 days	0
Average number of days suspended	0
Cost of suspension(R'000)	N/A

3.13. Skills development

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

Table 3.13.1 Training needs identified for the period 1 April 2021 and 31 March 2022

Occupational category	Gender	Training needs identified at start of the reporting period			
		Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	0	4	5	9
	Male	0	3	6	9
Professionals	Female	0	5	6	11
	Male	0	15	4	19
Technicians and associate professionals	Female	0	25	4	29
	Male	0	15	3	18
Clerks	Female	0	85	30	115
	Male	0	65	5	70
Service and sales workers	Female	0	10	3	13
	Male	0	18	1	19
Skilled agriculture and fishery workers	Female	0	0	0	0
	Male	0	0	0	0
Craft and related trades workers	Female	0	2	2	4
	Male	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0
	Male	0	0	0	0
Elementary occupations	Female	0	53	70	123
	Male	0	66	48	114
Sub Total	Female	0	184	120	304
	Male	0	182	67	249
Total		0	366	187	553

Table 3.13.2 Training provided for the period 1 April 2021 and 31 March 2022

Occupational category	Gender	Training Provided			
		Learnerships	Skills Programmes & other short courses	Other	Total
Legislators, senior officials and managers	Female	0	15	1	16
	Male	0	12	1	13
Professionals	Female	0	19	5	24
	Male	0	32	2	34
Technicians and associate professionals	Female	0	33	4	37
	Male	0	36	3	39
Clerks	Female	0	154	30	184
	Male	0	118	5	123
Service and sales workers	Female	0	22	3	25
	Male	0	32	1	33
Craft and related trades workers	Female	0	4	2	6
	Male	0	2	0	2
Plant and machine operators and assemblers	Female	0	0	0	0
	Male	0	0	0	0
Elementary occupations	Female	0	274	0	274
	Male	0	189	6	195
Sub Total	Female	0	521	45	566
	Male	0	421	18	439
Total		0	942	63	1005

3.14. Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2021 and 31 March 2022

Nature of Injury on duty	Number	% of total
Required basic medical attention only	4	100
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	4	100

3.15. Utilisation of Consultants

The following tables relates information on the utilisation of consultants in the department. In terms of the Public Service Regulations "consultant" means a natural or juristic person or a partnership who or which provides in terms of a specific contract on an ad hoc basis any of the following professional services to a department against remuneration received from any source:

- (a) The rendering of expert advice;
- (b) The drafting of proposals for the execution of specific tasks; and
- (c) The execution of a specific task which is of a technical or intellectual nature, but excludes an employee of a department.

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2021 and 31 March 2022

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Health Risk Manager	1 (Thandile)	12 Months	R 168 130.00
SAQA	1	12 months	R 68 735.00

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
Not applicable	Not applicable	Not applicable	Not applicable

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2021 and 31 March 2022

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Health Risk Manager	Level 3 contributor (owner 25.00)	26.01% black ownership	1

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2021 and 31 March 2022

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
Not applicable	Not applicable	Not applicable	Not applicable

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
Not applicable	Not applicable	Not applicable	Not applicable

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2021 and 31 March 2022

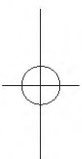
Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Not applicable	Not applicable	Not applicable	Not applicable

3.16. Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2021 and 31 March 2022

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)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Skilled (Levels 3-5)				
Highly skilled production (Levels 6-8)				
Highly skilled supervision (Levels 9-12)				
Senior management (Levels 13-16)				
Total	0	0	0	0

The department did not grant any severance package in 2021/2022 financial year



Part 1



FINANCIAL INFORMATION

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Report of the auditor-general to the Free State Provincial Legislature on vote no. 9: Department of Public Works and Infrastructure

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Public Works and Infrastructure set out on pages 133 to 191, which comprise the appropriation statement, statement of financial position as at 31 March 2022, 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 and Infrastructure as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 9 of 2021 (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 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.

Material uncertainty relating to going concern

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.
7. As disclosed in note 18 to the financial statements, the department had significant outstanding accruals of R30 770 000 and payables not recognised of R1 137 321 000, as at 31 March 2022. The department also had capital commitments of R246 798 000 as stated in note 17. These events or conditions, along with other matters as set forth in note 18 indicate that a material uncertainty exists that may cast significant doubt on the department's ability to continue as a going concern.

Emphasis of matters

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

Contingent liabilities

9. As disclosed in note 16.1 to the financial statements, the department is the defendant in various legal claims. The ultimate outcome of these matters could not be determined and no provision for any liability that may result was made in the financial statements.

Contingent assets

10. With reference to note 16.2 to the financial statements, the department entered into an agreement in 2016-17 to dispose of a land parcel to the value of R48 000 000 identified for development, namely the Free State Sport and Science Institute. According to the deed of sale, the purchaser would pay the department a cash amount of R28 000 000 and install bulk infrastructure on the property to the value of at least R20 000 000. In the event that the value of the bulk infrastructure is less than R20 000 000, the purchaser shall pay the balance between R20 000 000 and the value of the bulk infrastructure to the department at completion of the project. The R28 000 000 cash portion had been paid by 31 March 2021, while the ultimate outcome of the remaining R20 000 000 for the bulk infrastructure will be determined at completion of the project.

Payables

11. As disclosed in note 18.2 to the financial statements, payables not recognised of R1 098 957 000 exceeded the payment term of 30 days, contrary to treasury regulation 8.2.3. This amount, in turn, exceeded the R18 166 000 of voted funds to be surrendered by R1 080 791 000 as per the statement of financial performance. The amount of R1 080 791 000 would therefore have constituted unauthorised expenditure had the amounts due been paid in time.

Material impairment

12. As disclosed in note 21.2 to the financial statements material impairment of R17 957 000 (2021: R12 593 000) was incurred as a result of irrecoverable accrued departmental revenue.

Irregular expenditure

13. As disclosed in note 22.1 to the financial statements, irregular expenditure of R535 823 000 (2021: R3 604 000) was incurred in the current and previous years. This was mainly due to the payments made on expired lease contracts in contravention of supply chain management (SCM) requirements.

Other matter

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

Unaudited supplementary schedules

15. The supplementary information set out on pages 192 to 204 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

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

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

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

Report on the audit of the annual performance report

Introduction and scope

20. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
21. My procedures address the usefulness and reliability of the reported performance information, which must be based on the 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.
22. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the department's annual performance report for the year ended 31 March 2022:

Programme	Pages in the annual performance report
Programme 2 – public works infrastructure	42 – 53

23. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
24. I did not identify material findings on the usefulness and reliability of the reported performance information for this programme:
- Programme 2 – public works infrastructure

Other matters

25. I draw attention to the matters below.

Achievement of planned targets

26. Refer to the annual performance report on page 38 to 58 for information on the achievement of planned targets for the year and management's explanations provided for the under/overachievement of targets.

Adjustment of material misstatements

27. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of Programme 2 – public works infrastructure. As management subsequently corrected the misstatements, 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

28. 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.
29. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements

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

Expenditure management

31. Payments were not made within 30 days or an agreed period after receipt of an invoice, as required by treasury regulation 8.2.3.
32. Payments were made before services were received, in contravention of treasury regulation 15.10.1.2(c).

Consequence management

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

Strategic planning and performance management

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

Other information

35. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. 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.
36. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
37. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
38. 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

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

40. Management did not in all instances implement controls over daily and monthly processing and reconciling of transactions, as material misstatements were identified on the financial statements submitted for audit as well as material findings on predetermined objectives.
41. Management did not in all instances review and monitor compliance with applicable laws and regulations, resulting in material non-compliance being identified.

Other reports

42. I draw attention to the following engagements conducted by various parties which had, or could have, an impact on the matters reported in the department's financial statements, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
43. The Public Protector is in process of investigating allegations of maladministration, financial and procurement irregularities relating to the construction of the Vogelfontein Primary School in Bethlehem by the Department of Public Works and Infrastructure. The Department of Education appointed the department as implementing agent for this project. The project commenced in 2018 and the contract was terminated in March 2021, although the project was not complete. The investigation has not been finalised at reporting date.
44. At the request of the member of the executive council for finance in the province, a special audit was performed into the procurement processes and financial transactions of the legislature's building project for both the Free State Legislature and the Department of Public Works and Infrastructure for the financial years 2010-11, 2011-12, 2012-13 and 2013-14. The investigation was concluded on 12 July 2022 and tabled in legislature on 29 July 2022.

Auditor-General
Bloemfontein

31 July 2022



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 programmes and on the department's compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:
 - identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
 - conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the Department of Public Works and Infrastructure 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.

ANNUAL FINANCIAL STATEMENTS
FOR THE DEPARTMENT OF
PUBLIC WORKS AND INFRASTRUCTURE

FOR THE YEAR ENDED
31 MARCH 2022

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**FREE STATE DEPARTMENT OF PUBLIC WORKS & INFRASTRUCTURE
VOTE 9**

**APPROPRIATION STATEMENT
for the year ended 31 March 2022**

Appropriation per programme									
2021/22								2020/21	
	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	148 328	-	(7 522)	140 806	136 823	3 983	97.2%	121 404	121 221
2. Public Works & Infrastructure	1 615 831	-	8 971	1 624 802	1 617 294	7 508	99.5%	1 472 579	1 470 143
3. Expanded Public Works Programme	99 984	-	(1 449)	98 535	91 860	6 675	93.2%	64 677	64 413
TOTAL	1 864 143	-	-	1 864 143	1 845 977	18 166	99.0%	1 658 660	1 655 777
Reconciliation with statement of financial performance									
ADD									
Departmental receipts				-				-	
NRF Receipts				-				-	
Aid assistance				-				-	
Actual amounts per statement of financial performance (total revenue)				1 864 143				1 658 660	
ADD									
Aid assistance					-				-
Prior year unauthorised expenditure approved without funding									
Actual amounts per statement of financial performance (total expenditure)					1 845 977				1 655 777

**FREE STATE DEPARTMENT OF PUBLIC WORKS & INFRASTRUCTURE
VOTE 9**

**APPROPRIATION STATEMENT
for the year ended 31 March 2022**

2021/22								2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	1 306 780	(1 162)	(352)	1 305 266	1 300 435	4 831	99.6%	1 154 895	1 153 981
Compensation of employees	447 248	-	(2 471)	444 777	444 362	415	99.9%	417 600	417 399
Goods and services	859 483	(1 162)	2 119	860 440	856 024	4 416	99.5%	737 295	736 582
Interest and rent on land	49	-	-	49	49	-	100.0%	-	-
Transfers and subsidies	469 505	(2 178)	(616)	466 711	463 437	3 274	99.3%	440 087	440 070
Provinces and municipalities	458 588	-	-	458 588	458 579	9	100.0%	436 245	436 235
Departmental agencies and accounts	12	(5)	-	7	7	-	100.0%	6	5
Households	10 905	(2 173)	(616)	8 116	4 851	3 265	59.8%	3 836	3 830
Payments for capital assets	87 858	3 340	968	92 166	82 072	10 094	89.0%	63 678	61 654
Buildings and other fixed structures	80 229	1 639	-	81 868	71 782	10 086	87.7%	56 497	54 478
Machinery and equipment	7 629	1 701	(1 232)	8 098	8 090	8	99.9%	6 933	6 928
Land and subsoil assets	-	-	2 200	2 200	2 200	-	100.0%	-	-
Intangible assets	-	-	-	-	-	-	-	248	248
Payments for financial assets	-	-	-	-	33	(33)	-	-	72
TOTAL	1 864 143	-	-	1 864 143	1 845 977	18 166	99.0%	1 658 660	1 655 777

**FREE STATE DEPARTMENT OF PUBLIC WORKS & INFRASTRUCTURE
VOTE 9**

**APPROPRIATION STATEMENT
for the year ended 31 March 2022**

Programme 1: Administration									
	2021/22							2020/21	
	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
Sub programme									
1. Office of the MEC	10 968	(2 702)	(14)	8 252	8 193	59	99.3%	7 161	7 154
2. Management of the Department	14 710	(852)	(20)	13 838	13 738	100	99.3%	11 189	11 172
3. Corporate Support	122 650	3 554	(7 488)	118 716	114 892	3 824	96.8%	103 054	102 895
Total for sub programmes	148 328	-	(7 522)	140 806	136 823	3 983	97.2%	121 404	121 221
Economic classification									
Current payments	134 821	130	(6 060)	128 891	128 228	663	99.5%	115 328	115 147
Compensation of employees	99 224	-	100	99 324	99 183	141	99.9%	90 484	90 410
Goods and services	35 548	130	(6 160)	29 518	28 996	522	98.2%	24 844	24 737
Interest and rent on land	49	-	-	49	49	-	100.0%	-	-
Transfers and subsidies	7 179	(2 178)	(483)	4 518	1 199	3 319	26.5%	331	328
Departmental agencies and accounts	7	(7)	-	-	-	-	-	2	1
Households	7 172	(2 171)	(483)	4 518	1 199	3 319	26.5%	329	327

**FREE STATE DEPARTMENT OF PUBLIC WORKS & INFRASTRUCTURE
VOTE 9**

**APPROPRIATION STATEMENT
for the year ended 31 March 2022**

Programme 1: Administration (Continued)									
2020/21								2020/21	
	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
Payments for capital assets	6 328	2 048	(979)	7 397	7 393	4	99.9%	5 745	5 741
Buildings and other fixed structures	-	1 639	-	1 639	1 639	-	100.0%	-	-
Machinery and equipment	6 328	409	(979)	5 758	5 754	4	99.9%	5 497	5 493
Intangible assets	-	-	-	-	-	-	-	248	248
Payments for financial assets	-	-	-	-	3	(3)	-	-	5
TOTAL	148 328	-	(7 522)	140 806	136 823	3 983	97.2%	121 404	121 221

**FREE STATE DEPARTMENT OF PUBLIC WORKS & INFRASTRUCTURE
VOTE 9**

**APPROPRIATION STATEMENT
for the year ended 31 March 2022**

Programme 2: Public Works & Infrastructure									
	2021/22							2020/21	
	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
Sub programme									
1. Programme Support	4 836	(120)	2	4 718	4 675	43	99.1%	5 655	5 638
2. Planning	8 108	(433)	12	7 687	7 676	11	99.9%	9 287	9 279
3. Design	20 410	(176)	(160)	20 074	20 065	9	100.0%	17 662	17 655
4. Construction	39 476	(38)	7	39 445	35 847	3 598	90.9%	43 300	41 510
5. Maintenance	133 647	(4 174)	(2 222)	127 251	124 564	2 687	97.9%	162 634	162 174
6. Immovable Asset Management	1 208 515	6 373	12 257	1 227 145	1 226 391	754	99.9%	1 042 627	1 042 579
7. Facility Operations	200 839	(1 432)	(925)	198 482	198 076	406	99.8%	191 414	191 308
Total for sub programmes	1 615 831	-	8 971	1 624 802	1 617 294	7 508	99.5%	1 472 579	1 470 143
Economic classification									
Current payments	1 114 332	(1 292)	7 164	1 120 204	1 116 218	3 986	99.6%	986 315	985 615
Compensation of employees	331 239	-	(2 592)	328 647	328 387	260	99.9%	309 394	309 279
Goods and services	783 093	(1 292)	9 756	791 557	787 831	3 726	99.5%	676 921	676 336
Transfers and subsidies	462 326	-	(140)	462 186	462 231	(45)	100.0%	439 756	439 742
Provinces and municipalities	458 588	-	-	458 588	458 579	9	100.0%	436 245	436 235
Departmental agencies and accounts	5	2	-	7	7	-	100.0%	4	4
Households	3 733	(2)	(140)	3 591	3 645	(54)	101.5%	3 507	3 503

**FREE STATE DEPARTMENT OF PUBLIC WORKS & INFRASTRUCTURE
VOTE 9**

**APPROPRIATION STATEMENT
for the year ended 31 March 2022**

Programme 2: Public Works & Infrastructure (Continued)									
2021/22								2020/21	
	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
Payments for capital assets	39 173	1 292	1 947	42 412	38 815	3 597	91.5%	46 508	44 719
Buildings and other fixed structures	37 872	-	-	37 872	34 279	3 593	90.5%	45 072	43 284
Machinery and equipment	1 301	1 292	(253)	2 340	2 336	4	99.8%	1 436	1 435
Land and subsoil assets	-	-	2 200	2 200	2 200	-	100.0%	-	-
Payments for financial assets	-	-	-	-	30	(30)	-	-	67
TOTAL	1 615 831	-	8 971	1 624 802	1 617 294	7 508	99.5%	1 472 579	1 470 143

**FREE STATE DEPARTMENT OF PUBLIC WORKS & INFRASTRUCTURE
VOTE 9**

**APPROPRIATION STATEMENT
for the year ended 31 March 2022**

Programme 3: Expanded Public Works Programme									
	2021/22							2020/21	
	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
Sub programme									
1. Programme Support	17 765	-	(447)	17 318	17 287	31	99.8%	18 227	18 201
2. Community Development	73 229	-	(411)	72 818	66 194	6 624	90.9%	33 742	33 505
3. Innovative and Empowerment	8 990	-	(591)	8 399	8 379	20	99.8%	12 708	12 707
Total for sub programmes	99 984	-	(1 449)	98 535	91 860	6 675	93.2%	64 677	64 413
Economic classification									
Current payments	57 627	-	(1 456)	56 171	55 989	182	99.7%	53 252	53 219
Compensation of employees	16 785	-	21	16 806	16 792	14	99.9%	17 722	17 710
Goods and services	40 842	-	(1 477)	39 365	39 197	168	99.6%	35 530	35 509
Transfers and subsidies	-	-	7	7	7	-	100.0%	-	-
Households	-	-	7	7	7	-	100.0%	-	-

**FREE STATE DEPARTMENT OF PUBLIC WORKS & INFRASTRUCTURE
VOTE 9**

**APPROPRIATION STATEMENT
for the year ended 31 March 2022**

Programme 3: Expanded Public Works Programme (Continued)									
2021/22								2020/21	
	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
Payments for capital assets	42 357	-	-	42 357	35 864	6 493	84.7%	11 425	11 194
Buildings and other fixed structures	42 357	-	-	42 357	35 864	6 493	84.7%	11 425	11 194
TOTAL	99 984	-	(1 449)	98 535	91 860	6 675	93.2%	64 677	64 413

NOTES TO THE APPROPRIATION STATEMENT for the year ended 31 March 2022

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

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

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

	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation
4.1 Per programme				
Programme 1: Administration	140 806	136 823	3 983	2.8%
Programme 2: Public Works Infrastructure	1 624 802	1 617 294	7 508	0.5%
Programme 3: Expanded Public Works Programme	98 535	91 860	6 675	6.8%
TOTAL	1 864 143	1 845 977	18 166	1.0%

Settlement agreements were reached in the High Court of South, Africa Free State Division Bloemfontein, for the department to pay the plaintiffs. The beneficiaries were not compliant with the financial systems at year end.

	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation R'000
4.2 Per economic classification				
Current payments				
Compensation of employees	444 777	444 362	415	0.1%
Goods and services	860 440	856 024	4 416	0.5%
Interest and rent on land	49	49	-	0.0%
Transfers and subsidies				
Provinces and municipalities	458 588	458 579	9	0.0%
Departmental agencies and accounts	7	7	-	0.0%
Households	8 116	4 851	3 265	40.2%
Payments for capital assets				
Buildings and other fixed structures	81 868	71 782	10 086	12.3%
Machinery and equipment	8 098	8 090	8	0.1%
Land and subsoil assets	2 200	2 200	-	0.0%
Payments for financial assets	-	33	(33)	-
TOTAL	1 864 143	1 845 977	18 166	1.0%

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2022

Settlement agreements were reached in the High Court of South Africa, Free State Division Bloemfontein, for the department to pay the plaintiffs. The beneficiaries were not compliant with the financial systems at year end.

The Department experienced delays in finalising projects due to unrests in some townships which resulted in the late start of these projects. Furthermore the inclement weather experienced during the raining seasons delayed these projects.

	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation
4.3 Per conditional grant				
EPWP Integrated Grant for Provinces	6 714	6 713	1	0.0%
TOTAL	6 714	6 713	1	0.0%

There were no material variances between the final appropriation and actual expenditure.

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
REVENUE			
Annual appropriation	<u>1</u>	1 864 143	1 658 660
Departmental revenue	<u>2</u>	-	-
TOTAL REVENUE		1 864 143	1 658 660
EXPENDITURE			
Current expenditure			
Compensation of employees	<u>3</u>	444 362	417 399
Goods and services	<u>4</u>	856 024	736 582
Interest and rent on land	<u>5</u>	49	-
Total current expenditure		1 300 435	1 153 981
Transfers and subsidies			
Transfers and subsidies	<u>7</u>	463 437	440 070
Total transfers and subsidies		463 437	440 070
Expenditure for capital assets			
Tangible assets	<u>8</u>	82 072	61 406
Intangible assets	<u>8</u>	-	248
Total expenditure for capital assets		82 072	61 654
Payments for financial assets	<u>6</u>	33	72
TOTAL EXPENDITURE		1 845 977	1 655 777
SURPLUS/(DEFICIT) FOR THE YEAR		18 166	2 883
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		18 166	2 883
Annual appropriation		18 165	2 882
Conditional grants		1	1
SURPLUS/(DEFICIT) FOR THE YEAR		18 166	2 883

STATEMENT OF FINANCIAL POSITION
as at 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
ASSETS			
Current assets		25 106	6 562
Cash and cash equivalents	<u>9</u>	20 491	4 491
Receivables	<u>10</u>	4 615	2 071
Non-current assets		537	592
Receivables	<u>10</u>	537	592
TOTAL ASSETS		25 643	7 154
LIABILITIES			
Current liabilities		23 249	5 867
Voted funds to be surrendered to the Revenue Fund	<u>11</u>	18 166	2 883
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	<u>12</u>	4 833	2 698
Payables	<u>13</u>	250	286
TOTAL LIABILITIES		23 249	5 867
NET ASSETS		2 394	1 287
	Note	2021/22 R'000	2020/21 R'000
Represented by:			
Recoverable revenue		2 394	1 287
TOTAL		2 394	1 287

STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
Recoverable revenue			
Opening balance		1 287	1 422
Transfers:		1 107	(135)
Irrecoverable amounts written off	5.2	(13)	(6)
Debts revised		(69)	-
Debts recovered (included in departmental receipts)		(152)	(257)
Debts raised		1 341	128
Closing balance		2 394	1 287
TOTAL		2 394	1 287

CASH FLOW STATEMENT
for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		1 903 170	1 695 937
Annual appropriated funds received	<u>1.1</u>	1 864 143	1 658 660
Departmental revenue received	<u>2</u>	38 984	37 231
Interest received	<u>2.2</u>	43	46
Net (increase)/decrease in working capital		(2 580)	(42)
Surrendered to Revenue Fund		(40 587)	(50 623)
Current payments		(1 300 386)	(1 153 981)
Interest paid	<u>5</u>	(49)	-
Payments for financial assets		(33)	(72)
Transfers and subsidies paid		(463 437)	(440 070)
Net cash flow available from operating activities	<u>14</u>	<u>96 098</u>	<u>51 149</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	<u>8</u>	(82 072)	(61 654)
Proceeds from sale of capital assets	<u>2.3</u>	812	8 883
(Increase)/decrease in non-current receivables	<u>10</u>	55	129
Net cash flows from investing activities		<u>(81 205)</u>	<u>(52 642)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		1 107	(135)
Net cash flows from financing activities		<u>1 107</u>	<u>(135)</u>
Net increase/(decrease) in cash and cash equivalents		16 000	(1 628)
Cash and cash equivalents at beginning of period		4 491	6 119
Cash and cash equivalents at end of period	15	<u>20 491</u>	<u>4 491</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies

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

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

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

1	Basis of preparation The financial statements have been prepared in accordance with the Modified Cash Standard.
2	Going concern The financial statements have been prepared on a going concern basis.
3	Presentation currency Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.
4	Rounding Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
5	Foreign currency translation Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.
6	Comparative information
6.1	Prior period comparative information Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

6.2	Current year comparison with budget A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.
7	Revenue
7.1	Appropriated funds Appropriated funds comprise 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.
7.2	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.
7.3	Accrued departmental revenue Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when: • it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and • the amount of revenue can be measured reliably. The accrued revenue is measured at the fair value of the consideration receivable. Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents. Write-offs are made according to the department's debt write-off policy.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

8	Expenditure
8.1	Compensation of employees
8.1.1	Salaries and wages Salaries and wages are recognised in the statement of financial performance on the date of payment.
8.1.2	Social contributions Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment. Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.
8.2	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.
8.3	Accruals and payables not recognised Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.
8.4	Leases
8.4.1	Operating leases Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue. The operating lease commitments are recorded in the notes to the financial statements.
8.4.2	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. Finance lease payments received are recognised as departmental revenue. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of: - cost, being the fair value of the asset; or - the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

9	Aid Assistance
9.1	Aid assistance received Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value. Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.
10	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.
11	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.
12	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.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

13	Financial assets
13.1	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.
13.2	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 financial statements.
14	Payables Payables recognised in the statement of financial position are recognised at cost.
15	Capital Assets
15.1	Immovable capital assets Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use. Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

15.2	Movable capital assets Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1. All assets acquired prior to 1 April 2005 (or a later date as approved by the OAG) may be recorded at R1. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.
15.3	Intangible assets Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition. Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project. 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 2005 (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.
15.4	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.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

16	Provisions and Contingents
16.1	Provisions Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.
16.2	Contingent liabilities Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.
16.3	Contingent assets Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.
16.4	Capital commitments Capital commitments are recorded at cost in the notes to the financial statements.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

17	Fruitless and wasteful expenditure Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred. Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables or written off. 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.
18	Irregular expenditure Irregular expenditure is recorded in the notes to the financial statements when confirmed after its assessment. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note. Irregular expenditure is 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.
19	Changes in accounting estimates and errors 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.
20	Events after the reporting date Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

21	Departures from the MCS requirements Management has concluded that the financial statements present fairly the department's primary and secondary information that the department complied with the Standard except that it has departed from a particular requirement to achieve fair presentation and the requirement from which the department has departed, the nature of the departure and the reason for departure.
22	Recoverable revenue Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
23	Related party transactions Related party transactions within the MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length. The number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.
24	Inventories <i>(Effective from date determined in a Treasury Instruction)</i> At the date of acquisition, inventories are recognised at cost in the statement of financial performance. Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition. Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value. The cost of inventories is assigned by using the weighted average cost basis.
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.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

PART B: EXPLANATORY NOTES

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:

	2021/22			2020/21		
	Final Appropriation R'000	Actual Funds Received R'000	Funds not requested / not received R'000	Final Appropriation R'000	Appropriation received R'000	Funds not requeste d / not received R'000
Administration	140 806	140 806	-	121 404	121 404	-
Public Works Infrastructure	1 624 802	1 624 802	-	1 472 579	1 472 579	-
Expanded Public Works Programme	98 535	98 535	-	64 677	64 677	-
Total	1 864 143	1 864 143	-	1 658 660	1 658 660	-

The Department requested / received all funds appropriated.

1.2 Conditional grants

	Note	2021/22 R'000	2020/21 R'000
Total grants received	31	6 714	6 270

2. Departmental revenue

	Note	2021/22 R'000	2020/21 R'000
Sales of goods and services other than capital assets	2.1	38 726	36 950
Interest, dividends and rent on land	2.2	43	46
Sales of capital assets	2.3	812	8 883
Transactions in financial assets and liabilities	2.4	258	281
Total revenue collected		39 839	46 160
Less: Own revenue included in appropriation	14	(39 839)	(46 160)
Departmental revenue collected		-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

2.1 Sales of goods and services other than capital assets

	<i>Note</i> 2	2021/22 R'000	2020/21 R'000
Sales of goods and services produced by the department		38 726	36 950
Sales by market establishment		38 230	36 504
Other sales		496	446
Sales of scrap, waste and other used current goods		-	-
Total		38 726	36 950

2.2 Interest, dividends and rent on land

	<i>Note</i> 2	2021/22 R'000	2020/21 R'000
Interest		43	46
Total		43	46

2.3 Sale of capital assets

	<i>Note</i> 2	2021/22 R'000	2020/21 R'000
Tangible assets		812	8 883
Buildings and other fixed structures	29	812	8 883
Total		812	8 883

2.4 Transactions in financial assets and liabilities

	<i>Note</i> 2	2021/22 R'000	2020/21 R'000
Receivables		164	263
Other Receipts including Recoverable Revenue		94	18
Total		258	281

2.5 Transfer received

2.5.1 Donations received in-kind (not included in the main note)

	<i>Note</i> 2	2021/22 R'000	2020/21 R'000
PPE received from Provincial Treasury to minimise the risk of transmission of Covid-19	Annexure 1H	-	2 410
Total		-	2 410

The 2020/21 amount disclosed note 2.6 has been moved to 2.5.1.

It is noted to the reader of the Annual Financial Statements that the 2020/21 amount regarding donations received in kind has been restated with R4.245 million (from R6.655 million to R2.410 million), due to supporting documents not being available.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

3. Compensation of employees

3.1 Salaries and Wages

	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Basic salary		282 936	281 781
Performance award		2 088	3 213
Service Based		421	690
Compensative/circumstantial		7 892	7 347
Periodic payments		-	6
Other non-pensionable allowances		75 678	59 008
Total		369 015	352 045

3.2 Social contributions

	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Employer contributions			
Pension		36 372	34 019
Medical		38 572	31 109
Bargaining council		143	139
Insurance		260	87
Total		75 347	65 354
Total compensation of employees		444 362	417 399
Average number of employees		1 301	1 328

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

4. Goods and services

	Note	2021/22 R'000	2020/21 R'000
Administrative fees		2 305	1 989
Advertising		867	249
Minor assets	4.1	578	349
Bursaries (employees)		2 928	1 618
Catering		421	-
Communication		2 415	2 001
Computer services	4.2	6 509	7 692
Consultants: Business and advisory services	4.9	16 322	11 047
Legal services		1 459	1 687
Contractors		333	42 310
Agency and support / outsourced services		26 798	22 951
Audit cost – external	4.3	9 609	7 593
Fleet services		4 037	3 816
Inventory	4.4	11 999	8 010
Consumables	4.5	1 309	1 097
Operating leases		249 876	257 239
Property payments	4.6	503 618	352 516
Rental and hiring		1 285	2 586
Travel and subsistence	4.7	4 259	3 016
Training and development		8 306	7 633
Other operating expenditure	4.8	791	1 183
Total		856 024	736 582

4.1 Minor assets

	Note 4	2021/22 R'000	2020/21 R'000
Tangible assets			
Machinery and equipment		578	349
Total		578	349

4.2 Computer services

	Note 4	2021/22 R'000	2020/21 R'000
SITA computer services		1 544	1 567
External computer service providers		4 965	6 125
Total		6 509	7 692

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

4.3 Audit cost – External

	<i>Note</i> 4	2021/22 R'000	2020/21 R'000
Regularity audits		9 609	7 593
Total		9 609	7 593

4.4 Inventory

	<i>Note</i> 4	2021/22 R'000	2020/21 R'000
Clothing material and accessories		3 568	2 941
Farming supplies		634	472
Fuel, oil and gas		252	165
Materials and supplies		7 210	3 669
Other supplies	4.4.1	335	763
Total		11 999	8 010

4.4.1 Other supplies

	<i>Note</i> 4.4	2021/22 R'000	2020/21 R'000
Other		335	763
Total		335	763

4.5 Consumables

	<i>Note</i> 4	2021/22 R'000	2020/21 R'000
Consumable supplies		228	262
Uniform and clothing		-	48
Household supplies		184	152
Building material and supplies		24	39
IT consumables		13	6
Other consumables		7	17
Stationery, printing and office supplies		1 081	835
Total		1 309	1 097

4.6 Property payments

	<i>Note</i> 4	2021/22 R'000	2020/21 R'000
Municipal services		487 867	328 500
Property maintenance and repairs		6 974	6 423
Other		8 777	17 593
Total		503 618	352 516

The Department received additional funds through the adjustment budget and reprioritized non-essential services funds to municipal services.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

4.7 Travel and subsistence

	<i>Note</i> 4	2021/22 R'000	2020/21 R'000
Local		4 259	3 012
Foreign		-	4
Total		4 259	3 016

4.8 Other operating expenditure

	<i>Note</i> 6	2021/22 R'000	2020/21 R'000
Professional bodies, membership and subscription fees		174	144
Resettlement costs		48	122
Other		569	917
Total		791	1 183

4.9 Remuneration of members of a commission or committee (Included in Consultants: Business and advisory services)

Name of Commission / Committee	No. of members	<i>Note</i> 4	2021/22 R'000	2020/21 R'000
Shared Audit Committee	(7)		96	208
Risk Committee Chairperson	(1)		39	84
Total			135	292

The Department had three audit committee members that served until September 2021. Four new shared audit committee members were appointed from October 2021.

5. Interest and rent on land

	<i>Note</i> 5	2021/22 R'000	2020/21 R'000
Interest paid		49	-
Total		49	-

6. Payments for financial assets

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Other material losses written off	6.1	-	4
Debts written off	6.2	33	68
Total		33	72

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

6.1 Other material losses written off

	<i>Note</i> 6	2021/22 R'000	2020/21 R'000
Nature of losses			
Losses and damage to assets		-	4
Total		<u>-</u>	<u>4</u>

6.2 Debts written off

	<i>Note</i> 6	2021/22 R'000	2020/21 R'000
Nature of debts written off			
Recoverable revenue written off			
Leave without pay		-	3
Breach of Contract		-	3
Losses or damage to assets		13	-
Total		<u>13</u>	<u>6</u>
Other debt written off			
Salary overpayment		11	28
Communication		-	2
Tax		4	30
Leave without pay		5	-
Training and salary deductions		-	2
Total		<u>20</u>	<u>62</u>
Total debt written off		<u>33</u>	<u>68</u>

7. Transfers and subsidies

		2021/22 R'000	2020/21 R'000
Provinces and municipalities	<i>Note</i> 48. 49	458 579	436 235
Departmental agencies and accounts	<i>Annexure 1B</i>	7	5
Households	<i>Annexure 1G</i>	4 851	3 830
Total		<u>463 437</u>	<u>440 070</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

8. Expenditure for capital assets

	Note	2021/22 R'000	2020/21 R'000
Tangible assets		82 072	61 406
Buildings and other fixed structures	29	71 782	54 478
Machinery and equipment	27	8 090	6 928
Land and subsoil assets	29	2 200	-
Intangible assets		-	248
Software	28	-	248
Total		82 072	61 654

8.1 Analysis of funds utilised to acquire capital assets – 2021/22

	Voted funds R'000	Total R'000
Tangible assets	82 072	82 072
Buildings and other fixed structures	71 782	71 782
Machinery and equipment	8 090	8 090
Land and subsoil assets	2 200	2 200
Intangible assets	-	-
Software	-	-
Total	82 072	82 072

8.2 Analysis of funds utilised to acquire capital assets – 2020/21

	Voted funds R'000	Total R'000
Tangible assets	61 406	61 406
Buildings and other fixed structures	54 478	54 478
Machinery and equipment	6 928	6 928
Intangible assets	248	248
Software	248	248
Total	61 654	61 654

8.3 Finance lease expenditure included in Expenditure for capital assets

	Note	2021/22 R'000	2020/21 R'000
Tangible assets			
Machinery and equipment		4 467	4 076
Total		4 467	4 076

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

9. Cash and cash equivalents

	Note	2021/22 R'000	2020/21 R'000
Consolidated Paymaster General Account		19 829	4 351
Disbursements		522	-
Cash on hand		140	140
Total		20 491	4 491

There are no significant cash and cash equivalent balances held by the Department that are not available for use. The Department does not have any undrawn borrowing facilities.

10. Receivables

		Current	2021/22 Non- current	Total	Current	2020/21 Non- current	Total
	Note	R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	10.1	1 450	-	1 450	272	-	272
Recoverable expenditure	10.2	294	-	294	84	-	84
Staff debt	10.3	2 871	537	3 408	1 715	592	2 307
Total		4 615	537	5 152	2 071	592	2 663

10.1 Claims recoverable

	Note	2021/22 R'000	2020/21 R'000
National departments	10	-	17
Provincial departments		1 450	255
Total		1 450	272

The R0.116 million disclosed in 2020/21 as Public entities has been moved to Provincial departments.

10.2 Recoverable expenditure (disallowance accounts)

	Note	2021/22 R'000	2020/21 R'000
Contributions deducted for the payment pension fund contributions to GEPP.	10	-	3
Contributions deducted from employees' salaries via PERSAL for the payment of PAYE to SARS.		294	81
Total		294	84

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

10.3 Staff debt

	<i>Note</i> 10	2021/22 R'000	2020/21 R'000
Salary overpayment debt		668	600
Breach of contract debt		1 958	955
Losses / damages debt		43	20
Communication debt		5	16
Leave without pay debt		115	95
Deduction salary debt		20	19
Government Motor Transport accident debt		285	292
Tax debt		311	307
Other debt (Traffic fines, subsistence & travel claims)		3	3
Total		3 408	2 307

10.4 Impairment of receivables

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Estimate of impairment of receivables		1 781	1 315
Total		1 781	1 315

The estimate is calculated based on an assessment of each debtor for which there is no payment arrangement.

Outstanding debt is written-off when the delegated official is convinced that:

- *Recovery of the debt is uneconomical.*
- *Recovery would cause undue hardship to the debtor or his/her dependents.*
- *It would be to the advantage of the state to issue a waiver on the claim.*

11 Voted funds to be surrendered to the Revenue Fund

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Opening balance		2 883	3 371
Prior period error		-	-
As restated		2 883	3 371
Transfer from statement of financial performance (as restated)		18 166	2 883
Paid during the year		(2 883)	(3 371)
Closing balance		18 166	2 883

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

12 Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Opening balance		2 698	3 790
Prior period error			-
As restated		2 698	3 790
Own revenue included in appropriation		39 839	46 160
Paid during the year		(37 704)	(47 252)
Closing balance		4 833	2 698

13 Payables – current

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Clearing accounts	13.1	250	284
Other payables		-	2
Total		250	286

13.1 Clearing accounts

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Government Employees Housing Scheme	13	250	284
Total		250	284

13.2 Other payables

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Description	13		
Pension deduction fund		-	2
Total		-	2

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

14 Net cash flow available from operating activities

	Note	2021/22 R'000	2020/21 R'000
Net surplus/(deficit) as per Statement of Financial Performance		18 166	2 883
Add back non cash/cash movements not deemed operating activities		77 932	48 266
(Increase)/decrease in receivables		(2 544)	(169)
(Increase)/decrease in prepayments and advances		-	4
Increase/(decrease) in payables – current		(36)	123
Proceeds from sale of capital assets		(812)	(8 883)
Expenditure on capital assets		82 072	61 654
Surrenders to Revenue Fund		(40 587)	(50 623)
Own revenue included in appropriation		39 839	46 160
Net cash flow generated by operating activities		96 098	51 149

15 Reconciliation of cash and cash equivalents for cash flow purposes

	Note	2021/22 R'000	2020/21 R'000
Consolidated Paymaster General account		19 829	4 351
		522	-
Cash on hand		140	140
Total		20 491	4 491

16 Contingent liabilities and contingent assets

16.1 Contingent liabilities

Liable to	Nature	Note	2021/22 R'000	2020/21 R'000
Claims against the department		Annex 3B	119 317	55 864
Intergovernmental payables (unconfirmed balances)		Annex 5	-	372
Total			119 317	56 236

No legal fees were included in the claims against the Department, as the legal fees cannot be reliably estimated. Due to the sensitive nature of the claims, the probability of the outcome cannot be disclosed.

16.2 Contingent assets

Nature of contingent asset	Note	2021/22 R'000	2020/21 R'000
Disposal of land		-	-
Total		-	-

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

Development of Free State Provincial Government Identified Land Parcel (FSSI) – During the 2016/2017 financial year the Department entered into a three (3) year agreement to dispose a property to the value of R48 million. According to the deed of sale the purchaser will pay the Department a cash amount of R28 million and install bulk infrastructure on the property to the value of at least R20 million. As at 31 March 2021 the Department received the entire R28 million cash amount. In the event the value of bulk infrastructure is less than R20 million the purchaser shall pay the balance between R20 million and the value of the bulk infrastructure to the Department at completion of the project.

17 Capital commitments

	Note	2021/22 R'000	2020/21 R'000
Buildings and other fixed structures		246 798	119 761
Total		246 798	119 761

The Department acts as an implementing agent for the Free State Departments of Health; Education; Sports, Art, Culture & Recreation, (client departments) in relation to the implementation of infrastructure projects. The Department publishes and awards tenders and monitor the construction of infrastructure as required in terms of the arrangements. The Department further signs the contracts with the appointed contractors. The Department does not receive any reimbursement for these functions. The expenditure for these projects is budgeted for by the client departments. The payments are also done by the client departments directly to the contractor. The commitments related to the contracts are disclosed in the financial statements of the client departments.

18 Accruals and payables not recognised

18.1 Accruals

			2021/22 R'000	2020/21 R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	23 281	3 000	26 281	26 354
Interest and rent on land	-	-	-	-
Transfers and subsidies	-	5	5	6
Capital assets	3 810	674	4 484	2 132
Total	27 091	3 679	30 770	28 492

	Note	2021/22 R'000	2020/21 R'000
Listed by programme level			
Programme 1: Administration		2 436	1 329
Programme 2: Public Works Infrastructure		28 318	27 116
Programme 3: Expanded Public Works Programme		16	47
Total		30 770	28 492

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

R21.733 million (2020/2021: R22.396 million) of the Accruals relates to Municipal Accounts that were outstanding at year-end, as the invoices had not yet been received. The Department experienced budget constraints due to the fact that municipal service increases are higher than the Departmental budget increase.

The extent of accruals may create a material uncertainty as well as significant doubt on the Department's ability to meet its financial obligations as they fall due and achievement of service delivery as outlined in the annual performance plan, as the accruals decreases the budget available for spending in the next financial year.

18.2 Payables not recognised

			2021/22 R'000	2020/21 R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	25 456	835 991	861 447	838 877
Interest and rent on land	1	89	90	42
Transfers and subsidies	11 690	262 178	273 868	259 501
Capital assets	1 217	674	1 891	99
Other	-	25	25	-
Total	38 364	1 098 957	1 137 321	1 098 519
		<i>Note</i>	2021/22 R'000	2020/21 R'000
Listed by programme level				
Programme 1: Administration			3 441	1 027
Programme 2: Public Works Infrastructure			1 133 863	1 097 490
Programme 3: Expanded Public Works Programme			17	2
Total			1 137 321	1 098 519
		<i>Note</i>	2021/22 R'000	2020/21 R'000
Included in the above totals are the following:				
Confirmed balances with other departments		<i>Annex 5</i>	43	-
Total			43	-

R1 016.101 million (2020/2021: R954.984 million) of the payables not recognised relates to Municipal Accounts that were outstanding at year-end. The Department experienced budget constraints due to the fact that municipal service increases are higher than the Departmental budget increase. The accounts could therefore not be settled as at 31 March 2022.

The extent of payables not recognised may create a material uncertainty as well as significant doubt on the Department's ability to meet its financial obligations as they fall due and achievement of service delivery as outlined in the annual performance plan, as payables not recognised decreases the budget available for spending in the next financial year.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

19 Employee benefits

	Note	2021/22 R'000	2020/21 R'000
Leave entitlement		19 174	23 731
Service bonus		12 296	11 510
Performance awards		-	2 138
Capped leave		11 989	15 006
Other		607	385
Total		44 066	52 770

The current year figure for leave entitlement include a negative balance of R499 621.24 (2020/2021: R375 455.70) that existed at 31 March 2022. At this stage the Department is not able to reliably measure the long-term portion of the long service awards. Other Employee Benefits constitute Long Services Awards payable during the 2022/2023 financial year.

20 Lease commitments

20.1 Operating leases

	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
2021/22			
Not later than 1 year	288 863	3 175	292 038
Later than 1 year and not later than 5 years	700 186	3 384	703 570
Later than five years	383 854	-	383 854
Total lease commitments	1 372 903	6 559	1 379 462
	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
2020/21			
Not later than 1 year	273 016	2 949	275 965
Later than 1 year and not later than 5 years	678 460	2 555	681 015
Later than five years	427 709	-	427 709
Total lease commitments	1 379 185	5 504	1 384 689

The Department rents 72 office buildings as part of its mandate to provide office accommodation to other Departments in the Province. There are currently 29 fixed term lease contracts that ranges between 5 to 10 years and 43 month-to-month contracts. The escalation rate applicable to these fixed term lease contracts range from 6% to 8% per annum.

The Department currently lease 70 vehicles from Fleet Management for a period between 3 and 7 years.

No asset is sub-leased at fair value. All buildings are provided to Provincial Government Departments to occupy free of charge.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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20.2 Finance leases

2021/22	Machinery and equipment R'000	Total R'000
Not later than 1 year	1 876	1 876
Later than 1 year and not later than 5 years	691	691
Later than five years	-	-
Total lease commitments	2 567	2 567

2020/21	Machinery and equipment R'000	Total R'000
Not later than 1 year	4 060	4 060
Later than 1 year and not later than 5 years	1 226	1 226
Later than five years	-	-
Total lease commitments	5 286	5 286

The Department leases 46 photocopy machines over a lease term of 36 months.

The Department has 268 cellular phone contracts and 10 3G contracts. There are no escalations applicable to these leases.

The Department does not sub-lease any of the assets. The Department does not have any renewal or purchase options. There are no restrictions imposed on the Department through any lease agreement. The Department does not have any sale and leaseback arrangements.

The Department does not sub-lease any of the assets.

The Department does not have any renewal or purchase options.

20.3 Operating lease future revenue

2021/22	Buildings and other fixed structures R'000	Total R'000
Not later than 1 year	18 672	18 672
Later than 1 year and not later than 5 years	60 591	60 591
Later than five years	2 321	2 321
Total operating lease revenue receivable	81 584	81 584

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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	Buildings and other fixed structures R'000	Total R'000
2020/21		
Not later than 1 year	16 026	16 026
Later than 1 year and not later than 5 years	51 654	51 654
Later than five years	3 502	3 502
Total operating lease revenue receivable	71 182	71 182

The Department rents out 130 properties to various lessees. There are currently 12 fixed term contracts that escalates between 6% and 10% per annum and 118 month-to-month contracts.

The Department does not sub-lease any of the assets.

The Department has renewal options for lease future revenue contracts ranging between one (1) year and five (5) years, the narrative will be included in the disclosure.

21 Accrued departmental revenue

	Note	2021/22 R'000	2020/21 R'000
Tax revenue			
Sales of goods and services other than capital assets		21 307	16 275
Sale of capital assets		440	1 200
Total		21 747	17 475

The current year figure for Accrued Departmental Revenue includes negative balances of R813 756.07 (2020/2021: R1 384 125.70) that existed at year-end. The Department is in the process of investigation these negative balances.

21.1 Analysis of accrued departmental revenue

	Note	2021/22 R'000	2020/21 R'000
Opening balance		17 475	23 220
Less: amounts received		(31 698)	(37 619)
Add: amounts recorded		35 970	31 874
Closing balance		21 747	17 475

21.2 Impairment of accrued departmental revenue

	Note	2021/22 R'000	2020/21 R'000
Estimate of impairment of accrued departmental revenue		17 957	12 593
Total		17 957	12 593

The estimate is calculated based on an assessment on each debtor for which there is no payment arrangement.

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22 Irregular expenditure

22.1 Reconciliation of irregular expenditure

	Note	2021/22 R'000	2020/21 R'000
Opening balance		22 898	19 294
Prior period error		-	-
As restated		22 898	19 294
Add: Irregular expenditure – relating to prior year		442 012	2 523
Add: Irregular expenditure – relating to current year		93 811	1 081
Less: Prior year amounts condoned		-	-
Less: Current year amounts condoned		-	-
Less: Prior year amounts not condoned and removed		-	-
Less: Current year amounts not condoned and removed		-	-
Less: Amounts recoverable (current and prior year)		-	-
Less: Amounts written off		(435)	-
Closing balance		558 286	22 898

Analysis of closing balance

Current year	93 811	1 081
Prior years	464 475	21 817
Total	558 286	22 898

The Department incurred expenditure on leased properties where it has extended the lease contracts beyond its original expiry date. National Treasury SCM Instruction Note 3 of 2016/17 provides guidelines on the extension and variation of contracts. The application of the instruction note to property lease contracts were under assessment and therefore expenditure amounting to R135.835 million were included as irregular expenditure under assessment during the 2020/2021 financial year. The matter was concluded and it was determined that the instruction note is applicable to lease contracts. Based on the conclusion reached, the Department has included R511.659 million relating to the period 2016/2017 to 2021/2022.

An award was made to a bidder during 2020/2021 financial year and at the conclusion of the prior year financial statements the department still needed to determine whether there was any non-compliance with the Preferential Procurement Regulations 2017, therefore R15.485 million was included as irregular expenditure under assessment during the 2020/2021 financial year. The matter was concluded and the non-compliance was confirmed. Based on the conclusion reached, the Department has included R23.020 million relating to the period 2020/2021 to 2021/2022.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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22.2 Details of current and prior year irregular expenditure – added current year (under determination and investigation)

Incident	Disciplinary steps taken/criminal proceedings	2021/22 R'000
Extension of contract without prior approval	To be investigated	647
Services rendered out of scope	To be investigated	357
Property Lease: Expired contracts (2016/17 to 2020/21)	To be investigated	426 527
Property Lease: Expired contracts (2021/22)	To be investigated	85 132
Non-compliance with Preferential Procurement Regulations, 2017	To be investigated	23 020
Non-Compliance with - Tax matters	To be investigated	140
Total		535 823

22.3 Details of irregular expenditure written off (irrecoverable)

Incident	2021/22 R'000
Interdepartmental Claim – Freedom Day Event – Investigation completed	435
Total	435

22.4 Prior period error

	<i>Note</i>	2020/21 R'000
Nature of prior period error		
Relating to 2020/21		701
Variation of contract without prior written approval from relevant Treasury		701
Total		701

The 2020/2021 irregular expenditure amount was restated with R0.701 million due to a variation of a contract without prior written approval from the Relevant Treasury.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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23 Fruitless and wasteful expenditure

23.1 Reconciliation of fruitless and wasteful expenditure

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Opening balance		-	-
Prior period error		-	-
As restated		-	-
Fruitless and wasteful expenditure – relating to prior year		-	-
Fruitless and wasteful expenditure – relating to current year		49	-
Less: Amounts recoverable		-	-
Less: Amounts written off		-	-
Closing balance		49	-

23.2 Details of current and prior year fruitless and wasteful expenditure – added current year (under determination and investigation)

Incident	Disciplinary steps taken/criminal proceedings	2021/22 R'000
Interest paid on court order	To be Investigated	49
Total		49

24 Related party transactions

The Department of Public Works & Infrastructure shared the same MEC as the Department of Human Settlements effectively until 14 February 2022. Transactions between the two Departments occurred within a normal relationship on terms and conditions no more or less favourable than those applicable to other Departments.

25 Key management personnel

	No. of Individuals	2021/22 R'000	2020/21 R'000
Political office bearers	1 (1)	2 000	1 978
Officials:			
Level 15 to 16	2 (1)	3 882	2 116
Level 14 (incl. CFO if at a lower level)	9 (8)	10 039	8 942
Family members of key management personnel	1 (1)	410	466
Total		16 331	13 502

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

26 Provisions

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Retention fees on capital projects	26.1	2 742	657
Total		2 742	657

The provision created is in cases where a contractual arrangement stipulates that a certain percentage should be withheld from payments in respect of capital infrastructure projects. The amount is retained as a guarantee and is released after final completion of the project.

26.1 Reconciliation of movement in provisions – 2021/22

	Retention withheld R'000	Total provisions R'000
Opening balance	657	657
Increase in provision	2 679	2 679
Settlement of provision	(64)	(64)
Unused amount reversed	(530)	(530)
Closing balance	2 742	2 742

26.2 Reconciliation of movement in provisions – 2020/21

	Retention withheld R'000	Total provisions R'000
Opening balance		
Increase in provision	657	657
Closing balance	657	657

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

27 Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	52 875	-	3 623	-	56 498
Transport assets	15	-	-	-	15
Computer equipment	26 068	-	1 149	-	27 217
Furniture and office equipment	18 023	-	1 660	-	19 683
Other machinery and equipment	8 769	-	814	-	9 583
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	52 875	-	3 623	-	56 498

Movable Tangible Capital Assets under investigation

	Number	Value R'000
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	477	7 135

The assets could not be verified during the asset counts and after the investigation is concluded, it will be handed over to loss control.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

27.1 Movement for 2020/21

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	50 332	-	2 852	(309)	52 875
Transport assets	15	-	-	-	15
Computer equipment	24 757	211	1 362	(262)	26 068
Furniture and office equipment	17 419	(107)	711	-	18 023
Other machinery and equipment	8 141	(104)	779	(47)	8 769
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	50 332	-	2 852	(309)	52 875

27.1.1 Prior period error

	Note	2020/21 R'000
Nature of prior period error		
Relating to 2019/20 [affecting the opening balance]		-
Incorrect of classification of Movable Assets - Computer equipment		211
Incorrect classification of Movable Assets – Furniture and office equipment		(107)
Incorrect Classification of Movable Assets – Other machinery and equipment		(104)
Total prior period errors		-

The Department corrected the misclassification between Computer Equipment, Furniture and Office Equipment, Other Machinery and Equipment.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

27.2 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2022

	Intangible assets R'000	Machinery and equipment R'000	Total R'000
Opening balance	3	16 074	16 077
Value adjustments	-	-	-
Additions	-	578	578
Disposals	-	-	-
TOTAL MINOR ASSETS	3	16 652	16 655

	Intangible assets	Machinery and equipment	Total
Number of R1 minor assets	-	5	5
Number of minor assets at cost	1	12 215	12 216
TOTAL NUMBER OF MINOR ASSETS	1	12 220	12 221

Minor Capital Assets under investigation

	Number	Value R'000
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	2 071	2 514

The assets could not be verified during the asset counts and after the investigation is concluded, it will be handed over to loss control.

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2021

	Intangible assets R'000	Machinery and equipment R'000	Total R'000
Opening balance	3	15 757	15 760
Prior period error	-	-	-
Additions	-	349	349
Disposals	-	(32)	(32)
TOTAL MINOR ASSETS	3	16 074	16 077

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

	Intangible assets	Machinery and equipment	Total
Number of R1 minor assets	-	5	5
Number of minor assets at cost	1	12 018	12 019
TOTAL NUMBER OF MINOR ASSETS	1	12 023	12 024

27.3 Movable assets written off

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2022

	Machinery and equipment R'000	Total R'000
Assets written off	-	-
TOTAL MOVABLE ASSETS WRITTEN OFF	-	-

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2021

	Machinery and equipment R'000	Total R'000
Assets written off	341	341
TOTAL MOVABLE ASSETS WRITTEN OFF	341	341

28 Intangible Capital Assets

**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR
ENDED 31 MARCH 2022**

	Opening balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
Software	1 642	-	-	1 642
TOTAL INTANGIBLE CAPITAL ASSETS	1 642	-	-	1 642

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

28.1 Movement for 2020/21

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
Software	1 394	-	248	-	1 642
TOTAL INTANGIBLE CAPITAL ASSETS	1 394	-	248	-	1 642

29 Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	10 174 302	363 439	-	10 537 741
Dwellings	115 649	3 107	-	118 756
Non-residential buildings	10 058 653	360 332	-	10 418 985
Other fixed structures	-	-	-	-
HERITAGE ASSETS	31 680	-	-	31 680
Heritage assets	31 680	-	-	31 680
LAND AND SUBSOIL ASSETS	570 820	-	-	570 820
Land	570 820	-	-	570 820
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	10 776 802	363 439	-	11 140 241

Additions consists of the following:

> The Department purchased a house for R2.890 million during the 2020/21 financial year. However, the property had not been registered in the Department's name by 31 March 2021. The property was registered in the Department's name by June 2021 and is included in the additions above.

> Section 42 (PFMA) transfers amounting to R169.275 million received from user Departments.

> Transfers to the Department amounting to R172.830 million.

> Own projects capitalised amounting to R16.678 million.

> Other new cash additions amounting to R1.766 million.

Included in the R0.812 million disclosed in note 2.3 is cash received that relates to properties that were sold in instalments, the change of ownership will only occur when the final amount is received by the Department.

The Department purchased land for R2.2 million during the 2021/22 financial year. However, the property had not been registered in the Department's name by year-end and is therefore not included in the additions above.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

29.1 Movement for 2020/21

**MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE
YEAR ENDED 31 MARCH 2021**

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	9 939 793	12 583	221 926	-	10 174 302
Dwellings	116 718	(2 244)	1 175	-	115 649
Non-residential buildings	9 823 075	14 827	220 751	-	10 058 653
Other fixed structures	-	-	-	-	-
HERITAGE ASSETS	31 680	-	-	-	31 680
Heritage assets	31 680	-	-	-	31 680
LAND AND SUBSOIL ASSETS	578 578	(7 758)	-	-	570 820
Land	578 578	(7 758)	-	-	570 820
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	10 550 051	4 825	221 926	-	10 776 802

29.1.1 Prior period error

	Note	2020/21 R'000
Nature of prior period error		
Relating to 2019/20 [affecting the opening balance]		4 825
Incorrect of classification of immovable assets		4 730
Department previously incorrectly transferred movable assets as part of their Sec 42		(134)
Project completed during 2019/20 not included in the Immovable Asset		229
Relating to 2020/21		164
Project completed during 2020/21 not included in the Immovable Asset		164
Total		4 989

Properties previously disclosed, however according to new information obtained, it is properties identified for Township establishment and does not form part of the Department's Immovable Tangible Capital Assets. The Department also corrected classification differences between Dwelling, Non-Residential Buildings and Land.

A client Department incorrectly transferred movable assets as part of their PFMA Section 42 transfer.

Two projects were completed during November 2019 and February 2021 which were not included in the Immovable Tangible Capital Asset register.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

29.2 Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2022

	Note	Opening balance 1 April 2021 R'000	Current Year WIP R'000	Ready for use (Assets to the AR) / Contracts terminated R'000	Closing balance 31 March 2022 R'000
Buildings and other fixed structures	<i>Annexure 7</i>	77 032	70 016	(64 639)	82 409
TOTAL		77 032	70 016	(64 639)	82 409

Included in the R64.639 million disclosed in the column "Ready for use (Assets to the AR) / Contracts terminated" is R16.678 million that was capitalised in the Immovable Asset Register, R37.095 million relates to projects completed for other spheres of Government, and R10.866 million relates to projects that was removed from the work-in-progress register for various reasons.

Payables not recognised relating to Capital WIP	Note	2021/22 R'000	2020/21 R'000
KOFFIEFONTEIN EDUCATION & SASSA BUILDING		137	-
TSHIRELETSONG CHILDREN'S HOME		537	-
BULTFONTEIN TRP		403	-
PAUL ROUX TRP		339	-
FRANKFORT TRP		235	-
VILLIERS TRP		205	-
F/CASTRO 1 ST FLOOR		35	-
Total		1 891	-

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2021

	<i>Note</i>	Opening balance 1 April 2020 R'000	Prior period error R'000	Current Year WIP R'000	Ready for use (Assets to the AR) / Contracts terminated R'000	Closing balance 31 March 2021 R'000
Buildings and other fixed structures	<i>Annexure 7</i>	61 686	(229)	51 588	(36 013)	77 032
TOTAL		61 686	(229)	51 588	(36 013)	77 032

Included in the R36.013 million disclosed in the column "Ready for use (Assets to the AR) / Contracts terminated" is R21.453 million that was capitalised in the Immovable Asset Register (non-cash additions - Note 41.1), and the remaining R14.373 million relates to projects completed for other spheres of Government and R0.187 million relates to a project that was removed from work-in-progress during the year as it was stopped due to vandalism.

The ready for use amount has been restated from R35.849 million to R36.013 million. This restatement and the prior period error amounting to R0.229 million is due to projects that were completed during February 2021 and November 2019 respectively.

29.3 Immovable assets (additional information)

	<i>Note</i>	2021/22	2020/21
		Estimated completion date	
a) Unsurveyed land	<i>Annexure 9</i>	Area	Area
None		-	-
b) Properties deemed vested	<i>Annexure 9</i>	Number	Number
Land parcels		70	70
Facilities			
Schools		70	70
Clinics		4	4
Hospitals		-	-
Office buildings		14	14
Dwellings		12	12
Storage facilities		1	1
Other		10	10

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

c) Facilities on unsurveyed land	Duration of use	Annexure 9	Number	Number
Schools			-	-
Clinics			-	-
Hospitals			-	-
Office buildings			-	-
Dwellings			-	-
Storage facilities			-	-
Other			-	-
d) Facilities on right to use land	Duration of use	Annexure 9	Number	Number
Schools			769	775
Clinics			203	203
Hospitals			2	1
Office buildings			23	36
Dwellings			-	-
Storage facilities			-	-
Other			100	91
e) Agreement of custodianship		Annexure 9	Number	Number
Land parcels			-	-
Facilities				
Schools			47	82
Clinics			-	-
Hospitals			-	-
Office buildings			-	4
Dwellings			-	-
Storage facilities			-	-
Other			-	1

Development of Free State Provincial Government Identified Land Parcel (FSSI) – During the 2016/2017 financial year, the Department entered into a three (3) year agreement to dispose a property to the value of R48 million. According to the deed of sale the purchaser will pay the Department a cash amount of R28 million and install bulk infrastructure on the property to the value of at least R20 million. As at 31 March 2021, the Department received the entire R28 million cash amount. In the event the value of bulk infrastructure is less than R20 million the purchaser shall pay the balance between R20 million and the value of the bulk infrastructure to the Department at completion of the project.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

30 Prior period errors

30.1 Correction of prior errors

	Note	Amount before error correction 2020/21 R'000	Prior period error 2020/21 R'000	Restated Amount 2020/21 R'000
Revenue				
Donations received in Kind (not included in the main note)	2.5.1	6 655	(4 245)	2 410
Net effect		6 655	(4 245)	2 410

The 2020/21 amount regarding donations received in kind has been restated with R4.245 million (from R6.655 million to R2.410 million), due to supporting documents not being available.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

	Note	Amount before error correction 2020/21 R'000	Prior period error 2020/21 R'000	Restated Amount 2020/21 R'000
Assets:				
Immovable Tangible Capital Assets: Dwellings	29.1	116 718	(2 244)	114 474
Immovable Tangible Capital Assets: Non-Residential Buildings	29.1	9 823 075	14 827	9 837 902
Immovable Tangible Capital Assets: Land	29.1	578 578	(7 758)	570 820
Immovable Tangible Capital Assets: 2020/2021 Additions (Non-Residential Buildings)	29.1	220 587	164	220 751
Movable Tangible Assets: Computer Equipment	27.1	24 757	211	24 968
Movable Tangible Assets: Furniture and Office Equipment	27.1	17 419	(107)	17 312
Movable Tangible Assets: Other Machinery and Equipment	27.1	8 141	(104)	8 037
Claims Recoverable: Provincial Departments	10.1	139	116	255
Claims Recoverable: Public Entities	10.1	116	(116)	-
Capital Work-in-Progress (Opening Balance)	29.2	61 686	(229)	61 457
Capital Work-in-Progress (Ready for use)	29.2	35 849	164	36 013
Impairment of accrued departmental revenue	21.2	12 089	504	12 593
Net effect		10 899 154	5 428	10 904 582

Properties previously disclosed, however according to new information obtained, it is properties identified for Township establishment and does not form part of the Department's Immovable Tangible Capital Assets. The Department also corrected classification differences between Dwellings, Non-Residential Buildings and Land. A client Department incorrectly transferred movable assets as part of their sec 42 transfer. Two projects were completed during November 2019 and February 2021 which were not included in the Immovable Tangible Capital Asset register.

The opening balance was restated because the Department corrected the misclassification between Computer Equipment, Furniture and Office Equipment, Other Machinery and Equipment.

The R0.116 million disclosed in 2020/21 as Public Entities has been moved to Provincial departments.

Two projects were completed during November 2019 and February 2021 which were not removed from Capital Work-in-progress.

The R12.089 million disclosed in 2020/21 as Impairment of accrued departmental revenue has been restated to R12.593 million.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

	Note	Amount before error correction 2020/21 R'000	Prior period error 2020/21 R'000	Restated Amount 2020/21 R'000
Irregular Expenditure				
Irregular Expenditure – relating to current year	22	380	701	1 081
Net effect		380	701	1 081

The 2020/2021 irregular expenditure amount was restated with R0.701 million due to a variation of a contract without prior written approval from the Relevant Treasury.

**FREE STATE DEPARTMENT OF PUBLIC WORKS & INFRASTRUCTURE
VOTE 9**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

31 STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF GRANT	GRANT ALLOCATION					SPENT				20202/21	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjust-ments	Other Adjust-ments	Total Available	Amount received by depart-ment	Amount spent by depart-ment	Under / (Overspending)	% of available funds spent by depart-ment	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
EPWP Integrated Grant for Provinces	6 714	-	-	-	6 714	6 714	6 713	1	100.0%	6 270	6 269
TOTAL	6 714	-	-	-	6 714	6 714	6 713	1		6 270	6 269

**FREE STATE DEPARTMENT OF PUBLIC WORKS & INFRASTRUCTURE
VOTE 9**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

32 STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	2021/22							2020/21	
	GRANT ALLOCATION				TRANSFER				
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Division of Revenue Act	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
DIHLABENG	11 556	-	(113)	11 443	11 442	-	-	10 995	10 995
KOPANONG	7 863	-	(1 090)	6 773	6 772	-	-	7 378	7 377
LETSEMENG	2 709	-	(39)	2 670	2 670	-	-	2 569	2 568
MAFUBE	2 777	-	(40)	2 737	2 736	-	-	2 125	2 125
MALUTI-A-PHOFUNG	38 964	-	1 850	40 814	40 814	-	-	65 633	65 632
MAN MANGAUNG	191 934	-	470	192 404	192 404	-	-	155 603	155 603
MANTSOPA	3 618	-	(45)	3 573	3 573	-	-	3 422	3 421
MASILONYANA	7 524	-	(114)	7 410	7 410	-	-	7 122	7 122
MATJHABENG	131 637	-	12	131 649	131 648	-	-	124 186	124 185
METSIMAHOLO	11 760	-	(156)	11 604	11 604	-	-	11 098	11 098
MOHOKARE	567	-	2	569	569	-	-	402	402
MOQHAKA	14 115	-	96	14 211	14 210	-	-	13 583	13 583
NALA	5 181	-	(225)	4 956	4 955	-	-	4 956	4 955
NGWATHE	7 926	-	(115)	7 811	7 810	-	-	7 499	7 499
NKETOANA	816	-	(40)	776	775	-	-	932	931
PHUMELELA	2 082	-	138	2 220	2 219	-	-	1 965	1 964
SETSOTO	14 694	-	(647)	14 047	14 047	-	-	14 067	14 066
TOKOLOGO	321	-	51	372	372	-	-	299	299
TSWELOPELE	2 544	-	5	2 549	2 549	-	-	2 411	2 410
TOTAL	458 588	-	-	458 588	458 579	-	-	436 245	436 235

The above forms part of the Department's Annual Appropriation (Property Rates Enhancement Allocation) and not a conditional grant.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022**

33 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.

34 COVID 19 Response Expenditure

	<i>Note Annexure 11</i>	2021/22 R'000	2020/21 R'000
Goods and services		6 142	70 181
Expenditure for capital assets		-	181
Total		6 142	70 362

**FREE STATE DEPARTMENT OF PUBLIC WORKS & INFRASTRUCTURE
VOTE 9**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2022**

**ANNEXURE 1A
STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES**

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT				2020/21	
	DoRA and other transfers	Roll Overs	Adjust-ments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by municip-ality	Amount spent by municip-ality	Unspent funds	% of available funds spent by municip-ality	Division of Revenue Act	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
DIHLABENG	11 556	-	(113)	11 443	11 442	-	-	-	-	-	-	10 995	10 995
KOPANONG	7 863	-	(1 090)	6 773	6 772	-	-	-	-	-	-	7 378	7 377
LETSEMENG	2 709	-	(39)	2 670	2 670	-	-	-	-	-	-	2 569	2 568
MAFUBE	2 777	-	(40)	2 737	2 736	-	-	-	-	-	-	2 125	2 125
MALUTI-A-PHOFUNG	38 964	-	1 850	40 814	40 814	-	-	-	-	-	-	65 633	65 632
MAN MANGAUNG	191 934	-	470	192 404	192 404	-	-	-	-	-	-	155 603	155 603
MANTSOPA	3 618	-	(45)	3 573	3 573	-	-	-	-	-	-	3 422	3 421
MASILONYANA	7 524	-	(114)	7 410	7 410	-	-	-	-	-	-	7 122	7 122
MATJHABENG	131 637	-	12	131 649	131 648	-	-	-	-	-	-	124 186	124 185
METSIMAHOLO	11 760	-	(156)	11 604	11 604	-	-	-	-	-	-	11 098	11 098
MOHOKARE	567	-	2	569	569	-	-	-	-	-	-	402	402
MOQHAKA	14 115	-	96	14 211	14 210	-	-	-	-	-	-	13 583	13 583
NALA	5 181	-	(225)	4 956	4 955	-	-	-	-	-	-	4 956	4 955
NGWATHE	7 926	-	(115)	7 811	7 810	-	-	-	-	-	-	7 499	7 499
NKETOANA	816	-	(40)	776	775	-	-	-	-	-	-	932	931
PHUMELELA	2 082	-	138	2 220	2 219	-	-	-	-	-	-	1 965	1 964
SETSOTO	14 694	-	(647)	14 047	14 047	-	-	-	-	-	-	14 067	14 066
TOKOLOGO	321	-	51	372	372	-	-	-	-	-	-	299	299
TSWELOPELE	2 544	-	5	2 549	2 549	-	-	-	-	-	-	2 411	2 410
TOTAL	458 588	-	-	458 588	458 579	-	-	-	-	-	-	436 245	436 235

The above forms part of the Department's Annual Appropriation (Property Rates Enhancement Allocation) and not a conditional grant

**FREE STATE DEPARTMENT OF PUBLIC WORKS & INFRASTRUCTURE
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2022**

**ANNEXURE 1B
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS**

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2020/21
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
COM: LINCENCES	12	-	(5)	7	7	100.0%	6
TOTAL	12	-	(5)	7	7		6

**FREE STATE DEPARTMENT OF PUBLIC WORKS & INFRASTRUCTURE
VOTE 9**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENT
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**ANNEXURE 1G
STATEMENT OF TRANSFERS TO HOUSEHOLDS**

	TRANSFER ALLOCATION				EXPENDITURE		2020/21
	Adjusted Appropriation Act	Roll Overs	Adjust- ments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
HOUSEHOLDS							
Transfers							
Employee Social Benefit	4 395	-	(227)	4 168	4 219	101.2%	3 712
Claims & Other Transfers	6 510	-	(2 582)	3 948	632	16.0%	124
TOTAL	10 905	-	(2 789)	8 116	4 851		3 836

**FREE STATE DEPARTMENT OF PUBLIC WORKS & INFRASTRUCTURE
VOTE 9**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENT
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**ANNEXURE 1H
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED**

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2021/22	2020/21
		R'000	R'000
Received in kind			
Free State Provincial Treasury	Donation received from Provincial Treasury to minimise the risk of transmission of Covid-19:	-	2 410
TOTAL		-	2 410

The 2020/21 amount regarding donations received in kind has been restated with R4.245 million (from R6.655 million to R2.410 million), due to supporting documents not being available.

**FREE STATE DEPARTMENT OF PUBLIC WORKS & INFRASTRUCTURE
VOTE 9**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENT
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**ANNEXURE 1J
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE**

NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation)	2021/22	2020/21
	R'000	R'000
Made in kind		
Donations of sanitary towels to school learners	31	-
TOTAL	31	-

**FREE STATE DEPARTMENT OF PUBLIC WORKS & INFRASTRUCTURE
VOTE 9**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENT
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**ANNEXURE 3B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2022**

	Opening Balance		Liabilities paid/cancelled/ deducted during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance
Nature of Liability	1 April 2021	Liabilities incurred during the year			31 March 2022
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Phela Umsebenzi Trading 48 CC (Breach of contract)	5 473	-	-	-	5 473
Mr C Moloi (Rental)	9 500	-	-	-	9 500
Kroon Pannelbeaters (Damage to property)	17	-	-	-	17
Ntsoaki Joyce Mokoena (Recovery of deductions)	77	5	-	-	82
Mangaung Urban Renewal Company (Pty) Ltd (Breach of contract)	32 791	-	-	-	32 791
R & B Construction (Services rendered)	2 210	-	-	-	2 210
Sheree Dawson (Damages to vehicle)	52	-	(52)	-	-
Afri Blaze Projects (PTY) Ltd (Rectification of Lease Agreement)	4 830	-	(2 204)	-	2 626
Zana Properties Trust	914	-	(914)	-	-
Majorshelf 174 (Pty) Ltd	-	518	(518)	-	-
Castle Bridge School Association NPC	-	2 681	-	-	2 681
Ochie Livinus Okwidili	-	86	-	-	86
Aurecon South Africa (Pty) Ltd and another	-	2 800	(2 800)	-	-
Uvuko Civils (Pty) Ltd	-	25 262	-	-	25 262
Nexor 312 (PtyP Ltd t/a VNA Consulting	-	27 946	-	-	27 946
Phetogo Consulting (Pty) Ltd	-	7 442	-	-	7 442
Christian Revival Church	-	3 201	-	-	3 201
TOTAL	55 864	69 941	6 488	-	119 317

**FREE STATE DEPARTMENT OF PUBLIC WORKS & INFRASTRUCTURE
VOTE 9**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2022**

**ANNEXURE 4
CLAIMS RECOVERABLE**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2021/22	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2022	31/03/2021	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
Health	-	-	1 001	86	1001	86	-	-
Human Settlements	9	-	-	-	9	-	-	-
COGTA	-	-	53	53	53	53	-	-
National Department of Employment and Labour	-	-	-	17	-	17	-	-
	9	-	1 054	156	1 063	156	-	-
Other Government Entities								
Fleet Management	-	-	387	116	387	116	-	-
	-	-	387	116	387	116	-	-
TOTAL	9	-	1 441	272	1 450	272	-	-

**FREE STATE DEPARTMENT OF PUBLIC WORKS & INFRASTRUCTURE
VOTE 9**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2022**

**ANNEXURE 5
INTER-GOVERNMENT PAYABLES**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2021/22	
							Payment date up to six (6) working days before year end	Amount
	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2022	31/03/2021		R'000
	R'000	R'000	R'000	R'000	R'000	R'000		
DEPARTMENTS								
Current								
Premier	18	-	-	-	18	-	-	-
Provincial Treasury	25	-	-	-	25	-	-	-
COGTA	-	-	-	372	-	372		-
TOTAL INTERGOVERNMENT PAYABLES	43	-	-	372	43	372		-

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2022**

**ANNEXURE 6
INVENTORIES**

Inventories for the year ended 31 March 2022

	Material & Supplies R'000	TOTAL R'000
Opening balance	563	563
Add/(Less): Adjustments to prior year balances	-	-
Add: Additions/Purchases – Cash	13 904	13 904
Add: Additions - Non-cash	-	-
(Less): Disposals	(47)	(47)
(Less): Issues	(14 168)	(14 168)
Add/(Less): Received current. not paid (Paid current year. received prior year)	-	-
Add/(Less): Adjustments	50	50
Closing balance	302	302

Cash additions under goods and services amount to R11.999 million and under projects R0.733 million (Total: R12.731 million).

Inventories for the year ended 31 March 2021

	Material & Supplies R'000	TOTAL R'000
Opening balance	358	358
Add/(Less): Adjustments to prior year balances	8 639	8 639
Add: Additions/Purchases – Cash	-	-
Add: Additions - Non-cash	(2)	(2)
(Less): Disposals	(8 898)	(8 898)
(Less): Issues	-	-
Add/(Less): Received current. not paid (Paid current year. received prior year)	464	464
Add/(Less): Adjustments	2	2
Closing balance	563	563

Cash additions under goods and services amount to R8.010 million and under capital projects R0.629 million (Total: R8.639 million).

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2022**

**ANNEXURE 7
MOVEMENT IN CAPITAL WORK IN PROGRESS**

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance R'000	Current Year Capital WIP R'000	Ready for use (Asset register) / Contract terminated R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	77 032	70 016	(64 639)	82 409
Dwellings	434	2 062	(1 460)	1 036
Non-residential buildings	67 674	32 090	(23 794)	75 970
Other fixed structures	8 924	35 864	(39 385)	5 403
TOTAL	77 032	70 016	(64 639)	82 409

Included in the R64.639 million disclosed in the column "Ready for use (Assets to the AR) / Contracts terminated" is R16.678 million that was capitalised in the Immovable Asset Register, R37.095 million relates to projects completed for other spheres of Government, and R10.866 million relates to projects that was removed from the work-in-progress register for various reasons.

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Prior period error R'000	Current Year Capital WIP R'000	Ready for use (Asset register) / Contract terminated R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	61 686	(229)	51 588	(36 013)	77 032
Dwellings	983	-	645	(1 194)	434
Non-residential buildings	48 790	(229)	39 749	(20 636)	67 674
Other fixed structures	11 913	-	11 194	(14 183)	8 924
TOTAL	61 686	(229)	51 588	(36 013)	77 032

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2022**

Included in the R36.013 million disclosed in the column "Ready for use (Assets to the AR) / Contracts terminated" is R21.453 million that was capitalised in the Immovable Asset Register (non-cash additions - Note 41.1), and the remaining R14.373 million relates to projects completed for other spheres of Government and R0.187 million relates to a project that was removed from work-in-progress during the year as it was stopped due to vandalism.

The ready for use amount has been restated from R35.849 million to R36.013 million. This restatement and the prior period error amounting to R0.229 million is due to projects that were completed during February 2021 and November 2019 respectively.

**ANNEXURE 9
ADDITIONAL INFORMATION ON IMMOVABLE ASSETS**

1. Deemed vested

Properties deemed to vest in the province in terms of the Constitution, but for which the vesting process has not been completed are not included in the asset register of the department, but a separate register, as title has not been endorsed as yet. However, as a result of the provincial function, the properties are managed by the provincial government and include the following:

	2020/22 Number	2020/21 Number
Properties deemed vested		
Land parcels	70	70
Facilities		
Schools	70	70
Clinics	4	4
Hospitals	-	-
Office buildings	14	14
Dwellings	12	12
Storage facilities	1	1
Other	10	10

2. Facilities on land not surveyed

The Free State Department of Public Works and Infrastructure is not aware of any facilities on unsurveyed land.

3. Facilities on land where a right to use exist

The following service delivery facilities were constructed on the land parcels of other custodians.

	2021/22 Number	2020/21 Number
Facilities on right to use land		
Schools	769	775
Clinics	203	203
Hospitals	2	1
Office buildings	23	36
Dwellings	-	-
Storage facilities	-	-
Other	100	91

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2022**

4. Agreement of custodianship reached

Where agreement of custodianship has been reached the properties were transferred in accordance with the requirements of Section 42 of the Public Finance Management Act.

	2021/22 Number	2020/21 Number
Agreement of custodianship		
Land parcels	-	-
Facilities	-	-
Schools	47	82
Clinics	-	-
Hospitals	-	-
Office buildings	-	4
Dwellings	-	-
Storage facilities	-	-
Other	-	1

5. Contingent assets

Development of Free State Provincial Government Identified Land Parcel (FSSI) – During the 2016/2017 financial year, the Department entered into a three (3) year agreement to dispose a property to the value of R48 million. According to the deed of sale the purchaser will pay the Department a cash amount of R28 million and install bulk infrastructure on the property to the value of at least R20 million. As at 31 March 2021, the Department received the entire R28 million cash amount. In the event the value of bulk infrastructure is less than R20 million the purchaser shall pay the balance between R20 million and the value of the bulk infrastructure to the Department at completion of the project.

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2022

ANNEXURE 11

COVID 19 RESPONSE EXPENDITURE (Per quarter and in total)

Expenditure per economic classification	2021/22					2020/21
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation of employees						
Goods and services	1 170	2 518	2 069	385	6 142	70 181
Cons Supplies	-	-	-	-	-	70
Cons:Sta,Print&Off Sup	-	-	-	-	-	130
Contractors	-	-	-	-	-	42 157
Inv: Materials & Supplies	-	-	-	-	-	303
Inv: Other Supplies	-	-	-	-	-	17
Minor Assets	-	-	-	-	-	37
Operating Leases	-	517	-	-	517	12 423
Property Payments	1 145	1 938	1 922	374	5 379	12 780
Rental & Hiring	25	63	30	11	129	2 264
Inv:Cloth Mat&Accessories	-	-	117	-	117	-
Expenditure for capital assets	-	-	-	-	-	181
Other Machinery & Equipment	-	-	-	-	-	181
TOTAL COVID 19 RESPONSE EXPENDITURE	1 170	2 518	2 069	385	6 142	70 362

The Department received a R64 million allocation from Provincial Treasury during the 2020/2021 financial year for COVID-19 response expenditure. The allocation was not sufficient, and the Department allocated an additional R6.779 million from voted funds. The Department did not receive a COVID-19 budget allocation from Provincial Treasury for the 2021/2022 financial year.

Notes

Notes