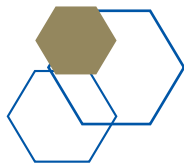


Annual Report 2021-2022



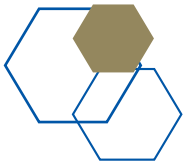
GAUTENG PROVINCE
INFRASTRUCTURE DEVELOPMENT
REPUBLIC OF SOUTH AFRICA

GGT2030
GROWING GAUTENG TOGETHER



Contents

PART A: GENERAL INFORMATION	5
1. DEPARTMENT GENERAL INFORMATION	6
2. LIST OF ABBREVIATIONS.....	7
3. FOREWORD BY MEC.....	10
4. REPORT OF THE ACCOUNTING OFFICER	14
5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT	23
6. STRATEGIC OVERVIEW.....	24
6.1 Vision	24
6.2 Mission.....	24
6.3 Values	24
7. LEGISLATIVE AND OTHER MANDATES.....	25
8. ORGANISATIONAL STRUCTURE.....	32
PART B: PERFORMANCE INFORMATION.....	34
1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES	36
2. OVERVIEW OF DEPARTMENTAL PERFORMANCE.....	36
2.1 Service Delivery Environment.....	36
2.2 Service Delivery Improvement Plan.....	37
2.3 Organisational environment.....	38
2.4 Key policy developments and legislative changes.....	38
3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES	38



4.	INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION	39
4.1	Programme 1: Administration.....	39
4.2	Programme 2: Public Works	44
4.3	Programme 3: Expanded Public Works	52
5.	TRANSFER PAYMENTS	57
6.	CONDITIONAL GRANTS	57
6.1.	Conditional grants and earmarked funds received.....	57
7.	DONOR FUNDS	57
8.	CAPITAL INVESTMENT.....	58
8.1	Capital investment, maintenance and asset management plan.....	58

PART C: GOVERNANCE60

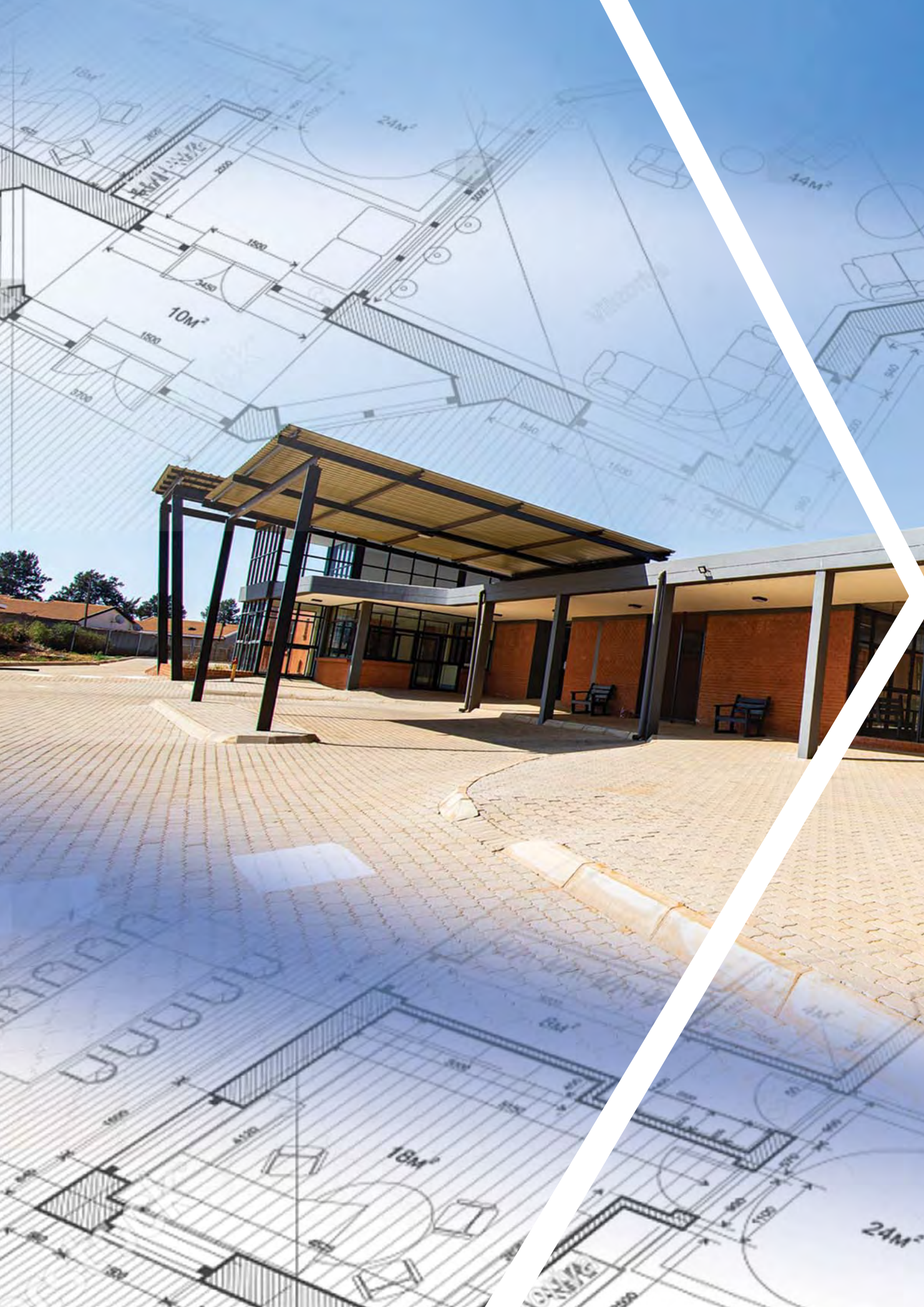
1.	INTRODUCTION	62
2.	RISK MANAGEMENT	62
3.	FRAUD AND CORRUPTION.....	62
4.	MINIMISING CONFLICT OF INTEREST	62
5.	CODE OF CONDUCT.....	62
6.	HEALTH SAFETY AND ENVIRONMENTAL ISSUES	63
7.	PORTFOLIO COMMITTEES	64
8.	SCOPA RESOLUTIONS	67
9.	PRIOR MODIFICATIONS TO AUDIT REPORTS.....	137
10.	INTERNAL CONTROL UNIT.....	137
11.	INTERNAL AUDIT AND AUDIT COMMITTEES	138
12.	AUDIT COMMITTEE REPORT	139
13.	B-BBEE COMPLIANCE PERFORMANCE INFORMATION	144

**PART D: HUMAN RESOURCE MANAGEMENT 146**

1. INTRODUCTION 148
2. OVERVIEW OF HUMAN RESOURCES 148
3. HUMAN RESOURCES OVERSIGHT STATISTICS 148

PART E: FINANCIAL INFORMATION 173

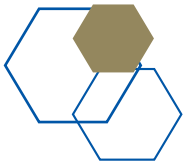
1. REPORT OF THE AUDITOR-GENERAL 176
2. ANNUAL FINANCIAL STATEMENTS 183



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PART A

GENERAL INFORMATION



1. DEPARTMENT GENERAL INFORMATION

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-  @gautng_infrastructure
-  Department of Infrastructure Development (DID)

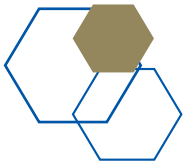
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2. LIST OF ABBREVIATIONS

ABT	Alternative Building Technology
AGSA	Auditor General of South Africa
AO	Accounting Officer
APP	Annual Performance Plan
BBBEE	Broad- Based Black Economic Empowerment
C-AMP	Custodian-Asset Management Plan
CBD	Central Business District
CFO	Chief Financial Officer
CHBAH	Chris Hani Baragwanath Academic Hospital
CHC	Community Health Centre
CRSA	Control Risk Self-Assessment
CYCC	Child Youth Care Centre
DHET	Department of Higher Education and Training
DID	Department of Infrastructure Development
DLTC	Driving License Testing Centre
ECDC	Early Childhood Development Centre
EPWP	Expanded Public Works Programme
EXCO	Executive Committee
HOD	Head of Department
GIAM	Government Immovable Asset Management
GPG	Gauteng Provincial Government
IAR	Immovable Asset Register
ICT	Information Communication Technology
IDMS	Infrastructure Delivery Management System
IGR	Inter-Governmental Relations
IRPS	Infrastructure Research, Planning System
KPI	Key Performance Indicators



MEC	Member of Executive Council
MOU	Memorandum of Understanding
MTEF	Medium Term Expenditure Framework
MV	Military Veterans
NERSA	National Energy Regular South Africa
NHI	National Health Insurance
NYS	National Youth Services
OHS	Occupation Health and Safety
PEP	Project Execution Plan
PFMA	Public Finance Management Act
PPP	Private Public Partnership
PQR	Quarterly Performance Report
PRC	Peer Review Committee
PSP	Professional Service Provider
PwD	People with Disabilities
RoFR	Right of First Refusal
ROMC	Risk Operational Management Committee
SDIP	Service Delivery Improvement Plan
SLA	Service Level Agreement
SMS	Senior Management Staff
SMME	Small, Medium and Micro Enterprises
SCM	Supply Chain Management
SITA	State Information Technology Agency
STARS	Sports, Transport, Agriculture, Rural Development and Social Development
TA	Treasury Approval
TER	Township Economic Revitalisation
TR	Treasury Regulations







3. FOREWORD BY MEC

Dear Stakeholder,

The Department of Infrastructure Development (DID) remains committed to helping *Grow Gauteng Together* through successful delivery of infrastructure development projects on time, in good quality, and within the allocated resources. We remain committed to transparency and accountability, believing in the centrality of the social infrastructure needs of communities in shaping the work of the DID. The alignment of our performance plans and the streamlining of departmental systems and processes is all aimed at meeting the needs of our stakeholders.

The main task of the DID is to utilise Gauteng's vast immovable property portfolio in the custody of the Department to transform the spatial landscape such that it addresses the various land-use needs of our province. The public infrastructure Build Programme, therefore, remains a key vehicle for the creation of more economic opportunities for Gauteng communities.

The 2021/2022 financial year saw us continuously monitoring and intervening in the commencement, implementation and completion of various infrastructure projects across the province to ensure that the Department fulfills its mandate as the main infrastructure delivery arm of Gauteng Provincial Government (GPG) through provision of new infrastructure and the maintenance and upgrade of existing facilities.

To this end, the Department successfully handed over several completed facilities that have been built according to groundbreaking prototype designs for social infrastructure, including:

The new National Health Insurance (NHI)-compliant Greenspark Clinic in Merafong, Western Development Corridor.

The new Boipatong Community Library, the newly-built Setlabotjha Primary School, and the new John Jangaiso Early Childhood Development Centre in Devon, all in the in Southern Development Corridor.

The newly-refurbished AngloGold Ashanti Hospital, consisting of 181 intensive care (I-Care) and intensive care units (ICU wards), in Merafong.

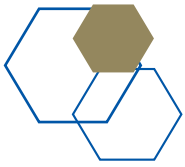
The physical structure of the new Forensic Pathology Unit and Laboratory under construction within the precinct of the Helen Joseph Hospital was also completed, laying the basis for the installation of equipment and other technical works in preparation for handover of this world-class facility to the client department in due course. Ongoing works to refurbish and upgrade the Helen Joseph Hospital doctors' and nurses' quarters was also closely monitored during this period.

Furthermore, in view of the negative impact of the COVID-19 pandemic on the business value chain of the construction and built environment, we also engaged with critical stakeholders in the sector, including manufacturers of essential steel products and other related materials, to ensure that the public infrastructure build rollout is not delayed but instead continues successfully, for the public good.

On the other hand, we worked closely with communities to stop the unacceptable land invasion of project sites reserved for the construction of critical public facilities such as the new Braamfischerville Primary School in the Central Development Corridor. To this end, we are determined as government that the projects will and must be successfully completed.

During the period under review, the Department also commenced the major construction and refurbishment of Ribane Laka Secondary School in Mamelodi; the demolition and rebuild of WK Du Plessis School for Learners with Special Education Needs (LSEN) in Springs, the construction and refurbishment of Inkululeko Yesizwe Primary School in Vlakfontein, Johannesburg South; among others. These and other similar projects bear testimony to government taking a lead in making Gauteng a big construction site that creates a world of economic opportunity for all our communities.

In line with government's commitment to empower communities, we also held several supply chain management and procurement standards workshops with target groups, including the youth, women, military veterans and the LGBTQIAP+ sector. These workshops provide communities with information on how to access government business



through compliance with the requirements of various sector bodies, including the Construction Industry Development Board in terms of whose mandate all contractors are categorised between grades 1 to 9.

On governance, extensive work was done during the year under review to strengthen internal controls and systems, including monthly tracking of expenditure against the set targets with the view to hold respective managers to account for the resources allocated to the service delivery units. Therefore, the objective to work towards attaining a clean audit remained on course.

I would, therefore like to acknowledge the critical role played by the broadly representative legislature bodies in holding us to account for the work that the Department undertakes across the Gauteng Province. Special thanks go to the Infrastructure Development and Property Management Portfolio Committee, under the agile leadership of the Chairperson, Member Mpho Modise.

Ms. Tasneem Motara

MEC for Infrastructure Development and Property Management

31st May 2022







4. REPORT OF THE ACCOUNTING OFFICER

4.1 Overview of the Operations of the Department

The 2021/22 Annual Report provides a comprehensive performance assessment of the Department against the set targets of the Annual Performance Plan 2021/22. In line with the National Development Plan 2030 which has since been our nation's blueprint, as well as the Growing Gauteng Together 2030 roadmap, the Department has aligned its plans and set target aimed at transforming the overall infrastructure of Gauteng.

This Annual Report, reports as the mid-year towards the implementation of the five-year Strategic Plan 2020/21-2024/25. Likewise, the Department continued with its quest towards its vision of being "The trusted provider of integrated and SMART public infrastructure and property management solutions that transforms the spatial landscape and improve the quality of life of the people of Gauteng". As such, the following achievements have been noted in the contribution of the above set vision:

Renovation works were concluded as follows at seven facilities of the Department of Education - Tlhokomelo Primary School, Mapenane Secondary School, Filadelfia LSEN School, Felicitas LSEN School, Hoerskool Wonderfontein, Pitseng Primary School and Ditau Primary School.

Additionally, the Department managed to complete the construction of 300-bed wards at the George Mukhari Hospital as one of the COVID-19 Alternative Building Technology (ABT) projects which commenced in the previous financial year. Other major projects include the construction of Greenspark Clinic, Akasia Community Library, Masakhane Regional Laundry and John Deo Clinic. For the Department of Sports, Arts, Culture and Recreation, the Department completed one infrastructure project, namely, Akasia Community Library.

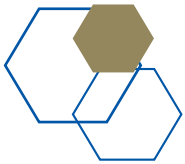
The management of properties is also one of the key responsibilities of the department, several land parcel agreements were concluded for the provincial government. These land parcels are situated in the northern corridor at Ekangala, and one in Soshanguve. The DID has facilitated the purchase price for payment of two land parcels for the Department of Education in Soshanguve.

With regards to land parcels disposed to other government organs, an exchange agreement with 35 GPG land parcels were perused by Legal Services Unit and referred for approval. These properties are meant to be transferred to National Department of Public Works and Infrastructure (NDPW&I) for office accommodation purposes.

The Expanded Public Works Programme (EPWP) is aimed at providing poverty and income relief through temporary work for the unemployed to carry out useful activities. The EPWP work opportunities are created in four sectors, namely, infrastructure, non-State, environment, and culture and social. An important foundation of the EPWP is the provision of training and skills development, in order to ensure beneficiaries, become better job seeker candidates and/or small business owners. During the 2021/22 financial year a total number of 74 692 work opportunities were created, while 1 950 beneficiaries were successfully trained.

The DID spent 98% of its allocated budget. The past financial year has seen an acceleration of efforts aimed at improving service delivery. Government has consistently prompted programmes and platforms that create space for engagement and reflection aimed at finding collective solutions to the continued global challenges of poverty, unemployment, and inequality.

As an implementer of infrastructure projects on behalf of client departments, the Department has actively put measures in place to enhance performance. This was evidenced through measures such as hosting regular engagements with management to address any matters that could affect performance of the Department. These took the form of internal meetings such as SMT, BMT, and Audit War Rooms. During the year, performance was also assessed through mid-year report as a monitoring tool in strides to achieve planned targets and address bottlenecks. The Department managed to complete some of projects planned. However, there were challenge in achieving some targets thereby replacing and reprioritising some projects that could not be achieved as part of the economic recovery plan arising from effects of the COVID-19 pandemic.



Overview of the financial results of the Department

Departmental receipts

Departmental receipts	2020/2021			2021/2022		
	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
Sale of goods and services other than capital assets	13 138	12 374	764	29 260	13 936	15 324
Sale of scrap, waste and other goods	-	-	-	-	2 017	(2 017)
Interest, dividends and rent on land	-	503	(503)	-	35	(35)
Sale of capital assets	-	-	-	-	-	-
Financial transactions in assets and liabilities	730	3 028	(2 298)	770	905	(135)
Total	13 868	15 905	(2 037)	30 030	16 893	13 137

The revenue target for the year 2021/22 was R30,0 million. To date, the Department has collected R16,8 million of its annual target. This implies a collection of 54% on the overall projected revenue. Revenue from sale of goods and services consist of rental dwellings, parking collection, and other revenue. R12,5 million of the R13,9 related to rental dwellings, R597 thousand to parking and the balance to of R789 thousand to other revenue.

The Department has 176 residential and 84 commercial tenants. Commercial property collected R8,4 million for the year, whereas residential properties collected R1,1 million. Overall commercial properties have potential to reach the annual target since the Department achieved 62% collection compared to 9.5% of residential properties.

During the year under review, the Department had plans to sell scrap furniture. This process has yielded positive result with a total collection of R2,0 million. Financial transaction is assets and liabilities related to revenue collected from previous year debts that were raised by the Department. The Department managed over-collected R905 thousand, from the R770 thousand that was estimated for the same period

The Department has not met its target largely due to tenants' inability to afford rentals. During the year, the Department sold five properties of which revenue will be received in the following financial year. Although the Department managed to sell some properties, illegal occupation remains one of the key challenges that the Department faces to ensure that the process of sale is completed on time. Lack of investment in upgrading the property has also contributed to the tenants' failure to meet their monthly obligation. COVID-19 has imposed serious challenges on many tenants – which also resulted in the Department not being able to achieve the set target.

A detailed exercise of profiling the tenants to determine affordability is currently underway and this will include physical verification to confirm the tenancy per the records. In the year 2021/22, the Department sent 210 letters of demand to all tenants who failed to pay monthly rentals of which some tenants responded by paying R1,7 million. Instead of blacklisting non-paying tenants, Legal Services advised that letters of demand should continually be sent to tenants until a handover process is initiated. Once they are handed over to State Attorney, the Department will effect eviction. Refurbishment of nature reserves, commercial and residential properties remain one of the key objectives for the Department since it will enhance the market value of the Departmental properties, which will in turn assist the Department to realise its targeted revenue through optimal usage of properties.



Programme Expenditure

Programme Name	2020/2021			2021/2022		
	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
Administration	371 392	315 008	56 384	430 659	403 641	27 018
Public Works Infrastructure	2 665 871	2 657 579	8 292	2 651 586	2 629 775	21 811
Expanded Public Works Programme	160 508	55 745	104 763	166 775	142 993	23 782
Total	3 197 771	3 028 332	169 439	3 249 020	3 176 409	72 611

The above table provides an analysis of Departmental expenditure performance per programme. The Department's final budget for the year 2021/2022 was R3.2 billion and, to date, R3.1 billion of the allocated budget was spent. Although the Department spent 98% of the allocated budget, there was underspending of R72 million compared to R169 million in the previous financial year. Out of approximately R72 million underspent, R14 million related to compensation of employees, R18 million related to goods and services and R40 million related to implementation of infrastructure.

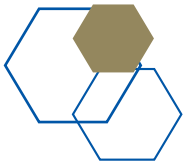
The key cost drivers for the Department are compensation of employees, leases, security services, rates and taxes and infrastructure payments. Compensation of employees, goods and services and rates constitute 97% of the allocated budget. In comparison to the previous year 2020/2021, the budget increased by 1.6% from R3.1 billion to R3.2 billion. In the year 2021/2022, the Department incurred expenditure of R3,1 billion compared to R3.0 billion of the previous financial year. The increase is attributed to increase in number of EPWP beneficiaries recruited in the current year under the EPWP compared to previous year.

Programme 1

Administration was allocated R430 million, at year end it reflected an under spending of R27 million. The programme's main objective is to support core activities of the Department. The budget allocation for the current year increased by 16% compared to previous financial year. Increase in the budget was meant to ensure that activities related to goods and services are fully implemented in the current financial year. The Department spent 94% of the allocated budget compared to 85% that was spent in the previous financial year. The office of the MEC spent 99% of the allocated budget. Corporate support spent 94% and management of the Department spent 80% of the allocated budget. The R27 million underspending is as a result of failure to fill posts under Corporate Support and the Department will continue to have Human Resources War Room to focus on reducing the vacancy rate.

Programme 2

Most of the core activities happened at the programme since it is the core. 82% of the overall departmental projection is in this programme. The allocated budget for the year 2021/22 is R2,6 billion compared to R2.6 billion in the previous financial year, however there is slight decrease of R14 million. 99% spent was on compensation of employees, goods and services, lease, security services, rates and taxes. The programme underspent by 1% because of contractors' performance and site access limitation in implementing infrastructure programme. The decrease in budget for the programme is as a result of a decrease in the budget allocation for rates and taxes.



Programme 3

The Department was allocated a budget of R166 million for the year 2021/22. All EPWP programmes are implemented under this programme. This programme accounts for 5% of the overall budget allocation for the Department. There is an increase of R6.2 million on budget allocation compared to previous financial year. The increase is a result of more funding being allocated to recruitment of EPWP beneficiaries. The budget allocation for programme support is 16% and 84% for community development. The programme only managed to spend R142 million of the allocated budget of R166 million and this translates to underspending of R23 million. Late implementation of EPWP beneficiaries' training programmes and recruitment are some of the reasons for underspending.

Virements/rollovers

Programme	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000
Administration	468 108	-	(37 449)	430 659
Public Works Infrastructure	2 599 635	-	51 951	2 651 586
Expanded Public Works Programme	181 277	-	(14 502)	166 775
Total	3 249 020	-	-	3 249 020

Funds shifted

The shifting of funds requested are to alleviate overspending on items which were underfunded during the current financial year. The shifts are only cosmetic and comprise movements from underspending items to defray items that are overspending and will not affect the baseline of each programme.

Virements/roll overs

The virements requested are in line with the Public Finance Management Act (Act 1 of 1999, as amended) and within the prescribed 8% limit of the allocated budget of the programmes.

Programme 1

An amount of R37,4 million will be shifted to Programme 2 to defray over expenditure on compensation of employees which was due to filling of critical posts to capacitate the technical teams in the health institutions.

Programme 2

The budget allocated to the programme will increase by an amount of R51,9 million which will be allocated to compensation of employees.



Programme 3

An amount of R14,5 million will be shifted to Programme 2 to defray overexpenditure on compensation of employees which was due to filling of critical posts.

Budget rollover

	Final Appropriation	Actual Expenditure	Variance	% Spent	Committed but not paid	% Spent
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation of Employees	1,173,087	1,151,014	22,073	98%	-	-
Goods and Services	942,776	932,309	10,467	99%	50,118	100%
Interest and rent on land	21,500	21,500	-	100%	-	-
Transfers and Subsidies	1,031,252	1,031,252	1	100%	288,566	125%
Payments of Capital Assets	79,637	39,567	40,070	49%	-	-
Payments for Financial Assets	768	768	0	100%	-	-
Total	3,249,020	3,176,409	72,611	98%	399, 201	107%

Rollovers relate to commitments made by the Department before end of the year that could not be processed for payment at year-end. Commitments are usually raised as accruals at year-end provide the goods and services were received. Accruals are usually paid in the following year since, at the time of closure of payment system, suppliers failed to upload invoice on the electronic invoicing submission system. The Department spent only 98% of the allocated budget, which resulted in underspending of R72 million and total accruals incurred is R399 million. Although there was an underspending on the infrastructure budget, the Department did not request any rollover as there were no commitments on these at year-end.

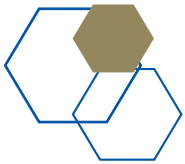
Unauthorised expenditure

The Department did not incur any unauthorised expenditure for the year ended 31 March 2022.

Fruitless and wasteful expenditure

Descriptions	2021/22 R'000
Opening balance	22 583
Fruitless and wasteful expenditure – relating to prior year	-
Fruitless and wasteful expenditure – relating to current year	21 536
Less: Amounts resolved	-44 119
Closing Balance	0

Based on the above table, the Department reported fruitless and wasteful expenditure of R22 million in relation to prior year, as at the end of the current financial year the entire R22 million had since been resolved. In the current year the Department incurred fruitless and wasteful expenditure of R21 million because of interest charged based on court settlements in relation to projects. The Department issued a circular to all officials to refrain from incurring fruitless expenditure hence there was a reduction in fruitless and wasteful expenditure because of late payments. The above balance of R21 million was referred to the Risk Management Unit for investigation - based on these recommendations, the Department has since written off the expenditure as prescribed by the PFMA (1999, as amended).



Irregular expenditure

Descriptions	2021/22
	R'000
Opening balance	1 679 451
Irregular expenditure Register – prior year	-
Irregular expenditure Register – current year	339 600
Closing Balance	2 019 051

The above table consists of opening balance of R1,7 billion and current year movement of R340 million. Included in the current year movement is leases, security, and cleaning services, of which the expenditure incurred was in contravention of supply chain management (SCM) prescripts. The Department has since rectified the irregular expenditure through tender advert for cleaning and security services with the aim of appointing a service provider. This process will eliminate future irregular expenditure. The Department has concluded the investigation process for the irregular expenditure and referred the outcome to Provincial Treasury for condonement.

Public-Private Partnerships

The Department has undertaken a process to explore different funding options to fund the implementation of the Kopanong Precinct and Public-Private Partnership (PPP) as a preferred funding option for the project. This PPP project, which was introduced in the previous financial years, aims to create a precinct that will provide office accommodation through the consolidation of the head offices and administrative functions of all GPG departments within the Johannesburg Central Business District.

Treasury has since approved the feasibility report and Treasury Approval IIA relating to designing and preparing bids documents. The evaluation process in conjunction with the Gauteng Infrastructure Financing Agency (GIFA) has been concluded. The bid evaluation report was presented to the appointed Kopanong Precinct Bid Adjudication Committee.

Discontinued key activities/activities to be discontinued

There are no discontinued activities related to the Department's functions.

New or Proposed activities

To this effect, the Department has developed an Information and Communication Technology (ICT) Strategy that will enable information gathering and sharing across the organisation transforming the DID into a fully digital environment. The ICT Strategy contains information system architecture and a plan of the most important ICT development activities that need to be carried to enable the Department to achieve its outcomes and impact. The Department aims to accelerate the implementation of the ICT Strategy and will be focusing on the implementation and monitoring of the strategy.

The ICT architecture targeted state is based on open and well-established and widely adopted protocols and security setup and will focus on:

- Extending the integration capabilities of the current architecture.
- Providing better customer identity protection for the DID's customers.
- Allowing for more interoperability with internal and external systems and provide modern service-oriented capabilities.



- Allowing for more agile and efficient project development cycles.
- Reducing time to market since the new digital capabilities will not interact directly with legacy systems.
- Improving operational efficiency with decoupling.
- Improving security with audit trailing and modern identity management.
- Providing better onboarding for new technical resources and vendors (harmonisation and modernisation of architecture).
- Finally, provide better overall support for key digital initiatives such as:
 - A common data platform that will ensure data integrity, thereby improve decision making processes (quicker, ease of forecasting, scenario planning).
 - A paperless Department that contributes to the 'green' agenda, optimises business processes and improves collaboration.
 - Secured and automated operations for reduced risk of data exposure.
 - Data transparency and integrity.
 - Business integration.

A total amount of R54 575 000 has been allocated for the 2022/23 financial year for the implementation of the ICT Strategy.

The DID Green Agenda Programme is informed by the Gauteng Energy Security Strategy and the Green Building Policy which seeks to ensure that renewables form part of the energy mix within the province, water conservation and management becomes a priority, and optimising waste management (turning waste to a resource).

Supply Chain Management

- **Unsolicited bid proposals concluded for the year under review**

During the 2021/22 financial year, the Department did not incur any unsolicited bids proposals.

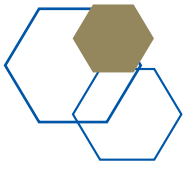
- **SCM processes and systems are in place to prevent irregular expenditure**

All procurement above R2 million are subject to probity audit and below are submitted to internal control for quality assurance on compliance. Letters of reminders are forwarded to head of branches a year prior to expiring of the contract to allow procurement process to start in the next four months. Standard operating procedures and an emergency contract award policy have been developed to deal with approval process before variations are approved.

- **Challenges experienced in SCM and the resolutions made**

The Department experienced challenges in reaching the annual performance plan procurement target, especially with regard to military veterans, people with disabilities, women, youth and township economy revitalisation. These challenges stems from non-submission and non-compliance of submission from the target groups to the regulatory environment. With regards to the non-submission and non-compliance of submissions from this groups, the Department decided to roll-out workshops as part of the advocacy sessions through Stakeholder Management in collaboration with SCM and Gauteng Provincial Treasury (GPT) to sensitise and educate the targeted groups on compliance to procurement processes. With regards to the regulatory environment, the Department drafted a Broad-Based Black Economic Empowerment (BBBEE) Strategy with inputs from GPT and Gauteng Economic Development (GED) to assist in expediting the achievement of the procurement targets from the target groups.

Projects stoppages result from disputes by local SMMEs and business fora on the 30% sub-contracting from project that are above R30 million. The Department has drafted sub-contracting guidelines which are currently in process of approval. To this effect, these guidelines has been presented to the Technical Intergovernmental for adoption and the MEC and MMC structure for processing.



An instruction note issued by National Treasury advising all State organs to halt any procurement of goods and services resulting from the court judgement on B-BBEE regulation. A further instruction from National Treasury advising State organs to procure goods and service utilising the request for quotation with a threshold of not more than R30 thousand.

Adherence to timelines as prescribed on the Bid Adjudication Committee (BAC) charter pertaining to submission for BAC's consideration and approval. Turnaround time for probity audit reports.

The Department has developed timelines to be enforced through a service level agreement (SLA) between Treasury and the Probity Auditors, to ensure reports being reviewed and finalised on time. The Department has also developed an annual calendar for all Bid Committee meetings.

- **Gifts and Donations received in kind from non-related parties**

The management of gifts and donations is administered by Directorate: Risk Management. It is the responsibility of the officials to ensure that all gifts and donations received are disclosed in the gift register. Through inspection of the register the Department has noted that no one has received gifts and donations during the year 2021/22.

- **Exemptions and deviations received from the National Treasury**

The Department did not receive any exemptions and deviations from Provincial Treasury.

- **Events after the reporting date**

There are no events happened after the reporting date that might require adjustment to the financial statement.

- **Other**

There are no other matters for reporting in the financial year under review.

Acknowledgement/s or Appreciation

I am grateful for the MEC Ms Tasneem Motara's support and leadership, and all staff of the DID for their diligence and contribution towards the achievement of the Department's mandate. As we are geared towards the end of the sixth administration, it is critical the Department to double its effort to achieve all infrastructure projects impacted and delayed due to national lockdown and government protocols, as a result of COVID 19 pandemic.

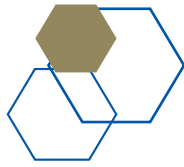
Approval and sign off

Dr. Thulani A Mdadane

Accounting Officer

Department of Infrastructure Development

31st May 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.

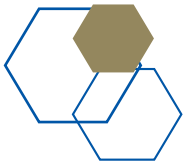
Yours faithfully

Dr. Thulani A Mdadane

Accounting Officer

Department of Infrastructure Development

31st May 2022



6. STRATEGIC OVERVIEW

6.1 Vision

The trusted provider of integrated and SMART public infrastructure and property management solutions that transform the spatial landscape and improve the quality of life of the people of Gauteng.

6.2 Mission

To public infrastructure delivery and property management solutions for the people of Gauteng, by:

- Effectively managing the full lifecycle of fixed property owned by the GPG.
- Serving as the sole implementing department for the project planning, design, construction and commissioning of SMART public infrastructure in the province.
- Optimising the functionality, reliability and compliance of public-owned infrastructure through the provision of professional facilities management services.
- Stimulating economic development and job creation through targeted, preferential procurement and SMME development.
- Coordinating the EPWP for Gauteng.

The Department's mission is enabled by:

- Investing in technologies and implementing best in class systems and processes that are integrated and coordinated with client departments.
- Continuing to grow organisational capacity and a culture of professionalism, high-performance and ethical governance.
- Responding to the needs of our stakeholders and building mutually beneficial partnerships.

6.3 Values

The DID fully supports the Premier's stated objective that, "We as public officials and public servants have to radically transform our attitudes and behaviour towards the public to re-assert the dictum that we are here to serve the people and not the other way round". In the spirit of this objective, as well as in the spirit of the 'Batho Pele', which emphasise service excellence and putting the people we serve first, the DID has embraced a set of values that aligns and enables these objectives.



Table 6: Values of the Department

Value	Description - Behaviour and/or action demonstrating the value commitment
People-centric	Guided by the principles of Batho Pele, we put people at the centre of all our decision-making processes. Our stakeholders are consulted and actively engaged with through various existing and new platforms and forums. Feedback is encouraged and actioned as part of our drive for continual improvement and operational excellence.
Professional	We hire and retain professionals who are experts in their respective areas of work. In this way, we are able to provide quality products and serve our stakeholders with distinction and leadership across the infrastructure value chain. Our management and staff are presentable, credible and punctual, and act ethically, with integrity and honesty at all times.
Teamwork	We work together as a team to achieve the strategic priorities of government and outcomes for our beneficiaries. Our processes and systems encourage teamwork and are implemented within an enabling environment. We use teamwork to improve collaboration and encourage open communication within the Department and with stakeholders.
Accountable	We are responsible and answerable that the services and products provided are of the highest quality, and in accordance with the principles of good governance. When mistakes are made, we take corrective action and resolve the situation quickly. We reward exceptional performance, while implementing stringent consequence management.
Transparent	We use a mix of communication mediums to share information regarding all our processes, so that they are clearly understood by both internal staff and the general public. We strive to ensure that our processes are explicit, open and unambiguous.
Solutions-oriented	We deploy our scarce resources optimally, and through the use of technology we are able to provide an ever-increasing range of infrastructure and property management solutions. This requires us to be problem solvers and to find innovative solutions to problems. Through continuous improvement, we strive for operational excellence across the infrastructure value chain.

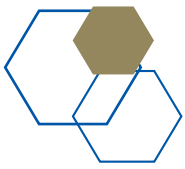
7. LEGISLATIVE AND OTHER MANDATES

The DID derives its mandate from various pieces of legislation. Some of the legislation is specific to the infrastructure delivery industry, while other pieces of legislation are directly impacting on the construction industry.

In summary, the purpose of the DID is to develop and maintain a socio-economic infrastructure that allows all the province's people to have access to social services.

This includes:

- Ensuring the implementation of all infrastructure programmes and projects reflected in the short-, medium- and long-term plans of the GPG.
- Managing the construction of GPG Capex projects like schools, hospitals, clinics, and recreation centres.
- Managing the provision of maintenance services for all GPG infrastructure.
- Managing the provincial property portfolio.



- Ensuring participation and involvement of communities through the implementation of the EPWP within GPG Capex projects and other departmental projects.
- Utilising the construction sector as a catalyst for the development of skills, the creation of jobs and the development of sustainable communities.

The specific pieces of legislation that make up this mandate are briefly described below.

LEGISLATIVE FRAMEWORK

Constitution of the Republic of South Africa, 1996 (Act 108 of 1996, as amended)

The Act introduces a new Constitution for the Republic of South Africa and provides for the Provincial and National functions with regard to public works functions (Schedules 4A and 5A of the Constitution, in particular). Schedule 4A makes the public works function a concurrent National and Provincial legislative competence. It provides that where the function in Schedule 4A and 5A can best be administered locally, a Provincial or National Department could by agreement assign/delegate such a function to a Municipality; provided that the Municipality has the capacity and resources to implement the function.

7.1 LEGISLATION GOVERNING THE PROPERTY MANAGEMENT

Government Immovable Asset Management Act, 2007 (Act 19 of 2007)

To provide for a uniform framework for the management of an immovable asset that is held or used by a national or provincial department; to ensure the coordination of the use of an immovable asset with the service delivery objectives of a national or provincial department; to provide for issuing of guidelines and minimum standards in respect of immovable asset management by a national or provincial department; and to provide for matters incidental thereto.

Abolition of Certain Title Conditions Act, 1999 (Act 43 of 1999)

The Act provides for the abolition of certain conditions in terms of which the consent or permission of the holder of an office under the Republic is required for the alienation or transfer of immovable property from one person to another.

Prevention of Illegal Eviction and Unlawful Occupation of Land Act (Act 19 of 1998)

The Act provides for the prohibition of unlawful eviction, to provide for procedures for the eviction of unlawful occupiers, and to repeal the Prevention of Illegal Squatting Act, 1951 and other obsolete laws. The Act prescribes a process for dealing with land invasions. The Act prohibits unlawful evictions but seeks to highlight procedures that must be followed for the eviction of unlawful occupiers.

Communal Land Rights Act, 2004 (Act 11 of 2004)

The Act provides for legal security of tenure by transferring communal land, including Gauteng Provincial Land, to communities, or by awarding comparable redress. The Act also provides for:

- The conduct of a land rights enquiry to determine the transition from old order rights to new order rights.
- The democratic administration of communal land by communities.
- Land Rights Boards.
- The co-operatives' performance of municipal functions on communal land.

**Communal Property Associations Act, 1996 (Act 28 of 1996)**

The Act enables communities to form juristic persons, to be known as Communal Property Associations in order to acquire, hold, and manage property on a basis agreed to by members of a community in terms of a written constitution.

Deeds Registries Act, 1937 (Act 47 of 1937)

The Act consolidates and amends the laws in force in the Republic, relating to the registration of deeds.

Extension of Security of Tenure Act, 1997 (Act 62 of 1997)

The Act provides for measures with State assistance to facilitate long-term security of land tenure and to:

- Regulate the conditions of residence on certain land.
- Regulate the conditions on and circumstances under which the right of persons to reside on land may be terminated.
- Regulate the conditions and circumstances under which a person, whose right of residence has been terminated, may be evicted from the land.

Land Administration Act (Act 2 of 1995)

The Act provides for the delegation of powers and the assignment of the administration of laws regarding land matters to the provinces. It also provides for the creation of uniform land legislation.

Expropriation Act, 1951 as repealed by Act 63 of 1975

The Act provides for the expropriation of land and other property for public and certain other purposes.

State Land Disposal Act (Act 48 of 1961)

The Act provides for the disposal of certain State Land and for matters incidental thereto, and to prohibit the acquisition of State Land by prescription.

7.2 LEGISLATION GOVERNING THE BEHAVIOUR OF PARTIES

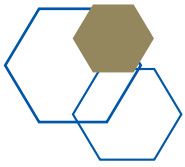
These pieces of legislation protect the interests of parties contracting with the organs of State.

Public Protector Act (Act 23 of 1994)

The Public Protector Act (1994) empowers the public to lodge complaints with the Public Protector, who can act as an ombudsman, and to investigate and report on and take remedial action on conduct in State affairs or in the public administration that is alleged to be improper. Information or evidence that suggests criminal activity is referred to the South African Police Services (SAPS) and the Director of Public Prosecutions. Non-compliance with tender procedures resulting in irregular or unauthorised expenditure is referred to the Auditor-General.

Public Finance Management Act (Act 1 of 1999, as amended)

The Act regulates financial management in the National and Provincial governments, to ensure that all revenue, expenditure, assets and liabilities of those governments are managed efficiently and effectively. The Act also provides for the responsibilities of persons entrusted with financial management in those governments, and to provide for matters connected therewith.



Promotion of Access to Information Act (Act 2 of 2000)

This Act gives effect to the rights provided for in the Bill of Rights in Section 32 of the Constitution (Act 108 of 1996), namely, that everyone has the right of access to information held by the State and any information that is held by another person that is required for the exercise or protection of any rights. The Act sets out the procedures pertaining to obtaining records in the public and private sectors, the grounds for refusal of access to information, mandatory disclosures in the public interest, and appeals against decisions of information officers of certain public bodies.

The Promotion of Administrative Justice Act (PAJA) (Act 3 of 2000)

This Act applies to all organs of state and gives effect to the right to administrative action that is lawful, reasonable, and fair as provided in the Bill of Rights and presented in Section 33 of the Constitution (Act 108 of 1996, as amended).

It sets out fair administrative procedures for the judicial review of administrative actions, the questioning of unfair administrative action, the setting aside of administrative action, the correcting of defective action, and the ordering of payment of compensation and remedies in proceedings for judicial review, including the prohibition of an administrator from acting in a particular manner. Decisions made in the public sector regarding actions taken in the evaluation and award of a contract is an administrative decision, and as such, subject to the PAJA (2000).

The Prevention and Combating of Corrupt Activities Act (Act 12 of 2004)

This Act applies to both the public and the private sectors. It defines corruption and related activities as an offence, establishes a register to place certain restrictions (relating to tenders and contracts) on persons and enterprises convicted of corrupt activities, and places a duty on certain persons holding a position of authority to report certain corrupt transactions.

The Act also makes it an offence to be an accessory to, or after, the abovementioned offences, as well as to attempt, conspire, or induce another person to commit such offences. Persons convicted of an offence may be fined or imprisoned, and their particulars or the particulars of the offending firm will be placed on a register of tender defaulters which will be open to the public. Purchasing authorities must disqualify and ignore tenders received from such persons and enterprises. In terms of the Act, corrupt activities include:

- Improperly influencing in any way, the promotion, execution, procurement, or retention of any contract.
- The fixing of the price, consideration or other moneys stipulated or otherwise provided for in any contract.
- Manipulating by any means the award of a tender.
- Manipulating by any means the outcome of an auction.

Public officers having a private interest in a contract connected with the public body that employs them, except where the interest is in a stock exchange listed company or their conditions of employment do not prohibit such involvement in a contract.

The direct or indirect offering or receiving of gratifications underlies the abovementioned corrupt activities. The Act further places a duty of care on accounting officers and accounting authorities to report known or suspected cases of corruption to a police officer, failing which, they are guilty of an offence. Police officers are required to issue notices of receipt of such reports.



The Promotion of Equality and the Prevention of Unfair Discrimination Act (Act 4 of 2000)

Section 9 of the Bill of Rights contained in the Constitution (Act 108 of 1996, as amended) states that equality includes the full and equal enjoyment of all rights and freedoms, and that no person may unfairly discriminate directly or indirectly against anyone. To this effect, the Promotion of Equality and the Prevention of Unfair Discrimination Act (Act 4 of 2000) was promulgated.

The Act prohibits unfair discrimination against any person on the grounds of race or gender and requires that reasonable steps be taken to accommodate the needs of such persons. A schedule attached to the Act provides an illustrative list of unfair practices in certain sectors. This list cites “unfairly limiting access to contractual opportunities for supplying goods and services” as an unfair practice.

Public Audit Act (Act 26 of 2005)

Requires that the Public Auditor reasonably satisfies himself/herself, that satisfactory management measures have been taken to ensure that resources are procured economically and utilised efficiently and effectively. (The Public Auditor has wide powers to investigate and enquire into procurement matters and related control. He/she is furthermore obligated to report his/her findings either to Parliament or a Provincial legislative, as relevant).

Protected Disclosure Act (Act 26 of 2000)

Makes provision for the protection of employees in both the public and private sectors who disclose information in good faith regarding unlawful or irregular conduct to the Public Protector, Auditor-General, or a person or body established for this purpose in terms of the Act. In short, it protects those employees who “blow the whistle” on corrupt practices.

Electronic Communications and Transactions Act (Act 25 of 2002)

The Act establishes legal requirements for data messages and the communication of data messages.

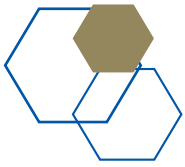
7.3 LEGISLATION GOVERNING PROCUREMENT

There are various pieces of legislation that govern the achievement of the primary and secondary procurement objectives set out in the Constitution.

Broad-Based Black Economic Empowerment Act, 2003 (Act 53 of 2003)

The Act establishes a legislative framework for the promotion of black economic empowerment and to empower the Minister of Trade and Industry to issue codes of good practice and to publish transformation charters.

The Act further provides for the establishment of the Black Economic Empowerment Advisory Council. The recent amendments of the Preferential Procurement Policy Framework Act (2000) calls for the submission of B-BBEE Status Rating Certificates as a basis for the evaluation of tenders, with the application of the 80:20 preference points system (tenders below R1.0 million) and 90:10 preference points system (for tenders above R1.0 million).



The Preferential Procurement Policy Framework Act (Act 5 of 2000)

To give effect to section 217(3) of the Constitution by providing a framework for the implementation of the procurement policy contemplated in section 217(2) of the Constitution; and to provide for matters connected therewith.

Section 217(3) of the Constitution allows for the procurement policy that provides for categories of preferences in allocating contracts and the protection and advancement of persons, or categories of persons, disadvantaged by unfair discrimination.

The Act requires organs of State (those responsible for procurement and elected leaders, e.g. accounting officers and councillors) to determine their preferential procurement policy and to implement it within a framework. The framework provided by the Act requires that a preference point system must be followed:

- For contracts with a Rand value above a prescribed amount, a maximum of 10 points may be allocated for specific goals, provided that the lowest acceptable tender scores 90 points for price.
- For contracts with a Rand value equal to or below a prescribed amount, a maximum of 20 points may be allocated for specific goals, provided that the lowest acceptable tender scores 80 points for price.

The Competitions Act (Act 89 of 1998)

The Act prohibits the following between parties:

- Any restrictive horizontal practice that prevents or lessens competition in markets or involves fixing a purchase or selling price or any other trading conditions; dividing markets by allocating customers, suppliers, territories, or specific types of goods or services; or collusive tendering.
- Any restrictive vertical practice that substantially prevents or lessens competition in a market or establishes a minimum resale price.

State Information Technology Agency Act (Act 88 of 1998)

Empowers the State Information Technology Agency (SITA) to act as a procurement agency in respect of information technology requirements in accordance with the State Procurement Policy regarding the provision of data processing services; training; application software development and maintenance services; technical, functional and business advice and support; and related management services.

7.4 LEGISLATION GOVERNING CONSTRUCTION INFRASTRUCTURE DELIVERY

Construction Industry Development Board Act, 2000 (Act No. 38 of 2000)

The Act provides for the establishment of the Construction Industry Development Board (CIDB) to implement an integrated strategy for the reconstruction, growth, and development of the construction industry.

The CIDB Act (2000) mandates the Board to establish and maintain a National Register of Contractors (NROC) and a National Register of Projects (NROP). The Gauteng DID will be required to appoint CIDB registered contractors on all its infrastructure development and maintenance projects. All projects above a set threshold (currently R200, 000) will also have to be registered with the CIDB.

National Building Regulations and Building Standards Act, 1977 (Act 103 of 1977)

The Act provides for the promotion of uniformity in the law relating to the erection of buildings in the areas of jurisdiction of local authorities, and for the prescribing of building standards.



National Heritage Resources Act, 1999 (Act 25 of 1999)

The Act introduces an integrated and interactive system for the management of the national heritage resources. The Act also aims to promote good governance at all levels and empower civil society to nurture and conserve their heritage resources so that they may be bequeathed to future generations.

National Environmental Management Act, 1998 (NEMA, Act 107 of 1998, as amended by Act 8 of 2004)

a. NEMA (1998, as amended by Act 8 of 2004)

The Act provides for co-operative environmental governance by establishing principles for decision-making on matters affecting the environment, institutions that will promote co-operative governance, and procedures for co-ordinating environmental functions exercised by organs of State. The Act further provides for the prohibition, restriction, or control of activities which are likely to have a detrimental effect on the environment, and to provide for matters connected therewith.

b. NEMA (Act 8 of 2004)

The Act amends the NEMA (1998), so as to insert certain definitions and substitute others, to make further provision regarding environmental authorisations, to make certain textual alterations, and to provide for the registration of associations of environmental assessment practitioners.

Legislation regulating the employment of Public Servants

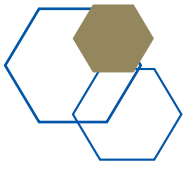
The various pieces of legislation regulating the employment of public servants include, but are not limited to the following:

- Public Service Act, 1994.
- Public Service Regulations, 2001.
- Public Service Laws Amendment Act, 1997 and 1998.
- Skills Development Act, 1998.
- Public Service Co-ordinating Bargaining Council (PSCBC).
- General Public Service Sectoral Bargaining Council (GPSSBC).

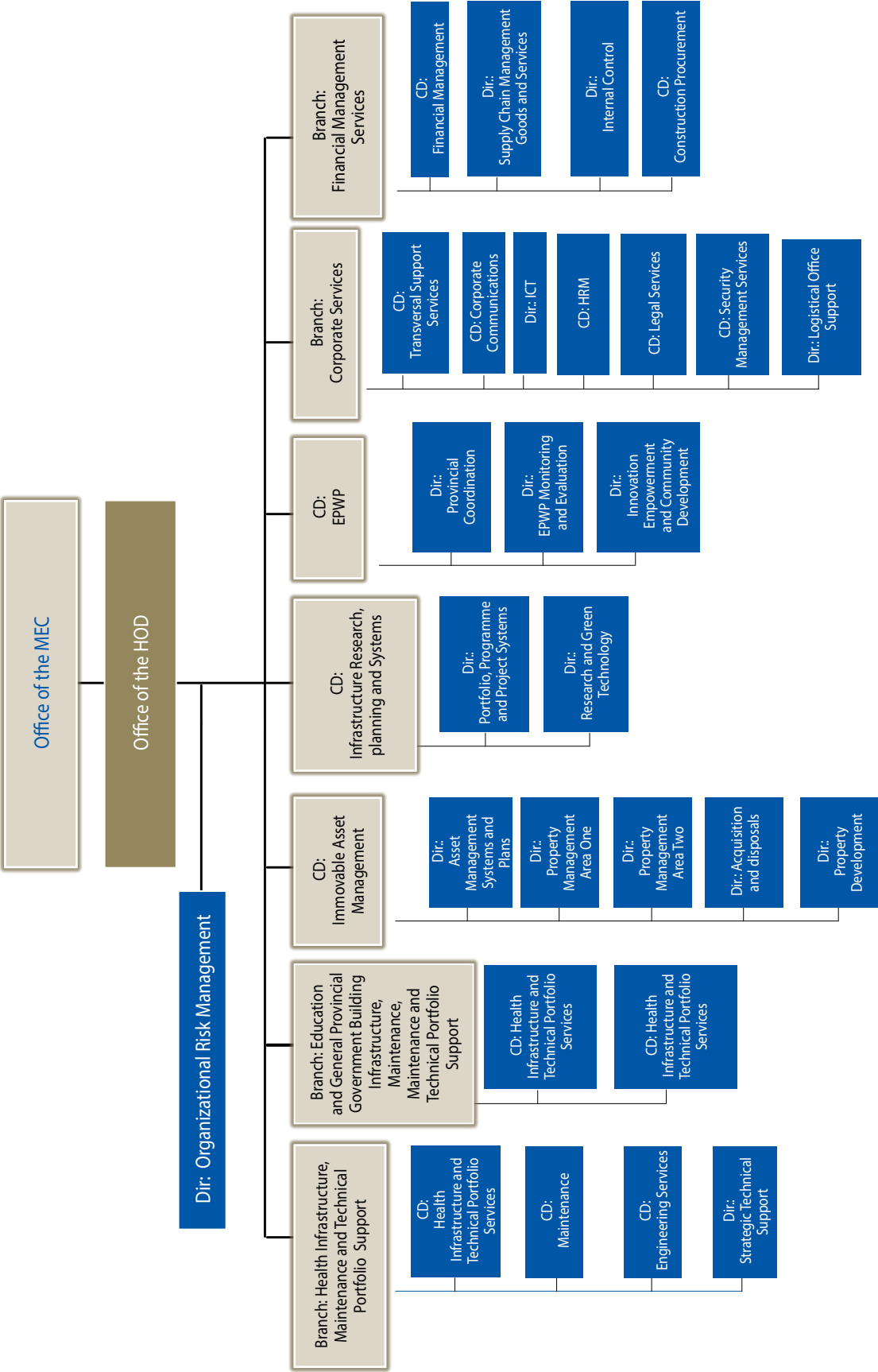
7.5 PROVINCIAL POLICIES IMPACTING ON THE SCOPE OF WORK OF THE DEPARTMENT OF INFRASTRUCTURE DEVELOPMENT

There are a number of strategic policy documents that have an impact and influence on the mandate and direction of the service delivery programme of the DID. These include, but are not limited to the following:

- Municipal Integrated Development Plans (MIDPs) for the various metros, districts, and local municipalities.
- Gauteng Provincial Growth and Development Strategy (GPGDS).
- Gauteng Strategic Procurement Framework (GSPF).
- Gauteng Medium-Term Strategic Framework (MTSF) (2009-2014).
- Gauteng Master Skills Plan (GMSP).
- National Development Plan 2030 (NDP).
- The Infrastructure Delivery Management System (IDMS).



ORGANISATIONAL STRUCTURE



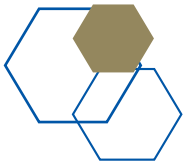
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PART B

PERFORMANCE INFORMATION



1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor-General of South Africa (AGSA) currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 168 of the Report of the Auditor General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

During the financial year under review, the Department could not complete all the infrastructure projects that were envisaged to be completed, due to various challenges experienced including the slow pace on site in compliance with government protocols as a result of COVID-19. One of the lingering challenges that prevented the Department from delivering on its mandate is the funding that still resides with client departments, resulting in the late payments of service providers, and in turn which led contractors to abandon the sites. In addition, contractors assigned inexperienced personnel to manage projects which results in poor workmanship. On the other hand, emerging contractors did not have cash flow to deliver projects on time, they depended on the budget they receive from the Department. In most cases projects were delayed by labour unrest and/or strikes.

As a corrective action, the Department is gradually building internal capacity by offering bursaries to its employees to equip themselves with technical skills and thus ensure that institutional memory is preserved. The Department is in a process of re-investing in the systems, such as Primavera and Archibus to ensure project monitoring assisting to improve performance. Moreover, efforts to empower professional candidates to register in their respective fields are gaining momentum to ensure readiness on project management using proper systems for reporting project performance. The government continues to enforce initiatives aimed to tackle the challenge of high unemployment, particularly among the youth population. The Department is responding to this challenge which requires appropriate interventions through a range of initiatives aimed at alleviating unemployment. These include the provision of short-term paid work opportunities coupled with skills training and promoting the use, as well as the development, of artisans. The high rate of unemployment and poverty continue to affect delivery of infrastructure, as there are ongoing site disruptions by business groups demanding contracts for built works. The Department is keen to improve existing job creation programmes and ensure effective oversight its role of coordinating EPWP in the province.



2.2 Service Delivery Improvement Plan

The Department has completed a Service Delivery Improvement Plan. The tables below highlight the service delivery plan and the achievements to date.

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Impumelelo Community Library	Citizens/ Department of Sports, Arts, Culture and Recreation/ Municipalities	The anticipated construction end date was 31 March 2022	100% complete	Phase 1 – Complete Phase 2 - Currently waiting for the request for service and budget confirmation to do phase 2 (external works, electrical mini substation and refuse yard)

Batho Pele arrangements with beneficiaries (Consultation access, etc.)

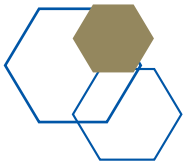
Current/actual arrangements	Desired arrangements	Actual achievements
Conduct on-site meetings with contractors to discuss progress of the projects	Continuous engagements with the relevant stakeholders (client, contractor and MEC) to discuss the progress of the projects	On-site meetings with contractors and client departments
Provide project status report to the client that is accurate and relevant	Ensure that the client departments have timeous access to the project status report	Client departments provided with status report on a continuous basis

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Primavera System	Electronic Service Delivery system	Implemented an effective Project Management System to monitor the delivery of the DID's projects on time, within budget and expected standards

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
The DID has placed compliments/ complaints and suggestion boxes at all its service delivery receptions. The Gauteng Office of the Premier (OoP) has also developed a CRM system, where all the departments in Gauteng are able to capture their responses to their departmental complaints and submit to the Office of the Premier.	Departmental compliments/ complaints and suggestions system	Achieved in implementing a manual system. In the process of establishing a DID electronic system with clear roles and responsibilities
On-site trouble shooting meeting with the client and contractors		Continuous on-site meeting with clients and contractors



2.3 Organisational environment

The highlight of 2020/21 was having no material findings recorded on performance information audit. On financial information, management has, during the year under review, regularly hosted the so-called Audit War Room engagements in efforts to address audit action plans and enhance accountability in a workplace. This was aimed mainly to improve controls to ensure that prior year audit findings do not recur in future audits. One of the challenges that occurred during the year was slow progress on the delivery of some infrastructure projects, which has led to replacement considerations.

2.4 Key policy developments and legislative changes

There are no major changes to relevant policies or legislation that may have affected operations during the period under review.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The Department has completed a total of 56 infrastructure projects during the current political term. Of the 51, 32 are on behalf of the Department of Education, 15 for Health and nine other departments. Key projects completed include two new schools namely, Noordgesig and Mayibuye Primary School, the construction of two new clinics and three libraries. Within these projects, there was the construction of wards for COVID-19 patients at Chris Hana Baragwanath (500 beds), Dr George Mukhari and Jubilee Hospitals both with the installation of 300 beds inside additional wards.



4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: Administration

The purpose of the Administration Programme is to provide strategic leadership to the Department and to support the core programmes in their efforts to implement the mandate of the Department. This includes the provision of strategic and operational support services for the MEC and the HOD, the provision of finance and supply chain management services; corporate support services and organisational risk management services.

The Administration Programme covers the work of the following sub-programmes:

Sub-programme	Purpose
Office of the MEC	Management of the executive office and provision of executive support to ensure that the Executive Authority is able to fulfil her mandate as prescribed by legislation.
Office of the HOD	Management of the office of the HOD and the provision of support to enable the HOD to provide the Department with administrative and strategic leadership to fulfil all statutory and strategic requirements pertaining to the functioning of the Department.
Finance and SCM Branch	Manage and facilitate the provision of efficient and effective financial management and supply chain management services for the Department, as well as the management of internal controls. This includes ensuring value for money in the spend of client budgets.
Corporate Services Branch	To manage and monitor the provision of corporate management services, including human resources management, transversal support services (strategic planning, performance monitoring and evaluation), communications, information systems, legal services, logistics and security management.
Risk Management Directorate	The provision of risk management support for the organisation.

In contributing towards the DID's desired impact of "contributing to spatial and socio-economic transformation through the effective full lifecycle management of GPG-owned fixed property", the Administration Programme delivers against the following outcomes reflected in the Strategic Plan:

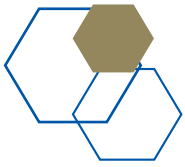
Outcome 1: Optimised public-owned fixed property portfolio.

Outcome 4: Increased contribution of infrastructure spend to socio-economic development.

Outcome 6: Capable, ethical and developmental organisation.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

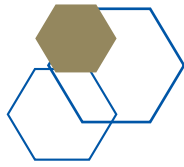
During the year under review, the Department continued in its overachievement towards Black- and Black Women-Owned Enterprises. Although the target for People with Disabilities and Military Veterans has not been met there is a proportion of procurement that is channelled towards this group. The Department is still met with a challenge as far as attaining the target for youth owned enterprises but remains confident that joint ventures with this group could increase procurement channelled towards the youth. The engagements with communities that SCM will undertake would be to educate the communities on compliance as it relates to the tender and quotation processes. This is an attempt to increase the number underperforming groups, such as township based, MVs and PwDs, to participate in the tender process or submit quotes and additionally that the documents submitted will be compliant.



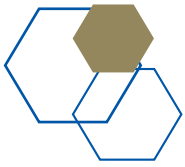
2.4.4.1: A report against the originally tabled Annual Performance Plan until date of re-tabling
For the financial year under review, the Annual Performance Plan was not revised.

Table 2.4.4.2: A report against the originally tabled Annual Performance Plan

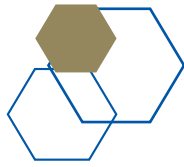
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	*Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Optimised public-owned fixed property portfolio	Property revenue and costs management	Rand value of revenue collected from GPG property portfolio (Disposals and leases)	R18.6M	R28M	R30M	R16,8M	-R13,2M	Majority of leases expired and were not renewed, and this ultimately led to illegal occupation.
		Rand value of municipal rates and taxes paid	R1, 084 091 535	R1 007 931	R1,254b	R1,025b	-R229M	There was a timing difference on the submission of the 2021/22 APP and the receipt of the final allocation letter which had an allocation of R1,025 billion on rates and taxes. The Department managed to spend R1,025 billion of the budget allocated which represent 100% of the budget allocation. The amount of R1,254 billion was a target set before confirmation of the budget.
Increased contribution of infrastructure spend to socio-economic development	Procurement set-asides for target groups	Percentage of procurement allocated to black-owned enterprises	80%	100%	80%	97,36%	17,36	The response from this targeted group has been excellent throughout the financial year.



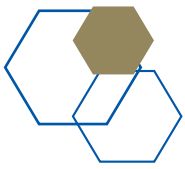
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	* Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
		Percentage of procurement allocated to black women-owned enterprises	31,33%	37,35%	30%	44,30%	14,30%	Black women-owned companies has responded well to bids and quotations throughout the period.
		Percentage of procurement allocated to people with disabilities-owned enterprises	1,42%	4,83%	3%	0,99%	-2,01%	The appointments towards this targeted group were made via the quotation system and maintenance panel. The monetary values of these appointments are much less than those made through the tender process. As a result, the tender system appointments high value monetary amounts diluted the ones made via quotation system and maintenance panel thus resulting in non-achievement of the target.
		Percentage of procurement allocated to youth-owned enterprises	16,33%	26,36%	20%	10,13%	-9,87%	The awards of high value to this targeted group has been significantly low throughout the reporting period.
		Percentage of procurement allocated to MV-owned enterprises	0,85%	0,29%	1%	0,52%	-0,48%	The rand value of appointments made to this targeted group did not accumulate to meet the target satisfactorily.
		Percentage of procurement allocated to small, medium and micro enterprises (SMMEs)	75,26%	36,59%	50%	44,56%	-5,44%	The response from this group during the third and fourth quarter was low. This is directly attributed to most of the high value awards for OHSE made to non-SMME companies.



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 2021/2022	Reasons for deviations
		Percentage of procurement allocated to Township Enterprise Revitalisation (TER)	27,92	5,44%	25%	7,19%	17,81%	The high value awards were allocated to companies not based in the townships.
	Emerging black firms empowered through contractors	Number of emerging black firms empowered through sub-contractors per annum, of which 40% are women-owned and 30% are youth-owned	New indicator	-	*20 Women: 8 Youth: 6	*127 Women: 45 Youth: 15	107	The appointments made from subcontracting has been sufficient due to the high number of capital projects that has the 30% mandatory subcontracting requirement.
*NB: The total target and output for emerging black firms consists of various categories and not limited to only women and youth. With that noted, it is not advisable to combine the total for each category to reach a total. This assists in avoiding double-counting as some disaggregated fields factor multiple times in each category.								
	Expand capacity of the State to resource and support SMMEs	Percentage of valid invoices for service providers settled within 30 days	Indicator not planned in the APP	52%	75%	68%	-7%	Non-achievement due to the following: Service providers who are non-tax compliant. Outstanding GRVs from business units. Late transfer of funds from client departments.



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 2021/2022	Reasons for deviations
Capable, ethical and developmental organisation	Financial management and internal controls	AGSA opinion on the audit of financial statements	New indicator	Unqualified with findings	Unqualified, with a reduction in recurring findings	Unqualified audit opinion with increased findings	Unqualified, with a reduction in recurring findings	Current year findings increased from 4 in previous year to 11 in the current year.
		Percentage reduction in prior year fruitless and wasteful expenditure	New indicator	99% reduction on prior year	30% reduction	No fruitless and wasteful expenditure was incurred in current year to date	-	No deviation.
		Percentage reduction in prior year accruals (excluding rates and taxes)	New indicator	71% reduction on prior year	20% reduction on prior year	Increase in accrual balance by 62% from R65.5M to R106M	42% increase in accrual balance	Non-achievement is due to outstanding GRVs and suppliers with non-compliant status.
		Percentage reduction in prior year irregular expenditure	New indicator	58% reduction on prior year	30% reduction	0% reduction in prior year irregular expenditure	-30% reduction	Awaiting results of condonement of irregular expenditure.
		Percentage year-on-year reduction in the number of material findings on performance objectives	New indicator	67% reduction on prior year	30% reduction	100% reduction in number of material findings on performance objectives	70% reduction in number of material findings on performance objectives	A clean audit outcome was achieved.
	Stakeholder management	Percentage implementation of the milestones of the annual stakeholder management plan	New indicator	15%	65%	80%	15%	More newsletters were sent under the reporting period.



Linking performance with budgets

This programme consists mainly of procurement targets as set in the Annual Performance Plan. The annual performance has indicated an improvement on procurement spent for firms owned by blacks and those owned by women.

Sub-programme expenditure

Sub- Programme Name	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
MEC Office	12 862	12 747	115	16 465	16 269	196
Corporate Support	400 964	377 430	23 534	341 751	286 410	55 341
Management of the Department	16 833	13 464	3 370	13 176	12 328	848
Total	430 659	403 641	27 018	371 392	315 008	56 384

Strategy to overcome areas of under performance

The Department continuously engaged with the main contractors that were awarded contracts over R30 million to appoint companies owned by black women, youth, and military veterans as sub-contractors. The revised 2017 Regulations will also be utilised to implement prequalification/mandatory sub-contracting/objective criteria for this group when tenders are being advertised. The Department aims to appoint firms not meeting procurement targets through a maintenance panel.

4.2 PROGRAMME 2: PUBLIC WORKS

Programme Purpose

The purpose of the Public Works Programme is to provide the core services that are mandated to the Department. This includes planning, design and construction of infrastructure projects, the implementation of maintenance projects, property management (immovable asset management) and facilities management, and the provision of infrastructure research, policy and systems.

Within the GPG, the DID has been delegated by Exco as the sole implementer of infrastructure and maintenance projects on behalf of all GPG departments. Maintenance projects include renovations, refurbishments and upgrades. In the case of the Provincial Department of Health, it also includes the implementation of day-to-day, routine/preventative and emergency maintenance at all health facilities in the province, with the exception of Jubilee Hospital and Odi Hospital that are maintained by the Provincial Department of Health.

The DID manages the construction procurement projects for provincial departments and issues framework/term contracts for day-to-day, routine/preventative maintenance, when required, for all provincial departments. This also includes the maintenance and estate management services provided for shared offices, the Premier's residence and offices used by the DID itself. It is also a user of immovable assets in terms of immovable assets being utilised by the DID.

The Programme is also responsible for managing immovable assets of the GPG as the provincial custodian. It manages and plans for effective and efficient utilisation of immovable assets, management of leases, estates and payment of creditors for allocated areas, management of acquisition and disposal of immovable properties, and facilitation of property development.



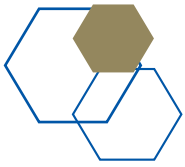
The Public Works Programme covers the work of the following sub-programmes:

Sub-programme	Purpose
Health Infrastructure, Maintenance and Technical Portfolio Support Branch	To provide infrastructure planning, design and construction management, maintenance and technical support services for health facilities in the province.
Education and General Provincial Government Building Infrastructure, Maintenance and Technical Portfolio Support Branch	To provide infrastructure planning, design and construction management, maintenance and technical support services for education; sports, arts, culture and recreation; roads and transport; agriculture and rural development; social development and the DID's facilities in the province.
Property Management Chief Directorate	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 accommodation in terms of the plan and in terms of the Land Administration Acts, 1998, which entails: • Acquiring and disposal of properties. • Lease administration. • Revenue generation. • Management of the asset registers. • Monitor the utilisation of Provincial Government facilities. • Management of payment of all utilities.
Infrastructure Research, Policy and Systems	To manage infrastructure research, longer-term Infrastructure planning and projects, programme and portfolio management of systems and standards.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

This section must provide a narrative of the significant achievement of targets for the outputs and output indicators for each programme for the financial year under review. The narrative must also provide a summary on how the achievement of targets has contributed towards achieving the department's outcomes, which will invariably impact on the strategic priorities of government.

Furthermore, the Department must detail, per programme, its response to prioritising women, youth and persons with disabilities in its service delivery environment, challenges encountered by the department when prioritising delivery for these designated groups, and the corrective steps that were undertaken in dealing with such challenges.

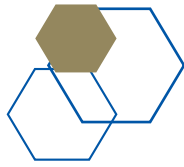


2.4.4.1: A report against the originally tabled Annual Performance Plan until date of re-tabling

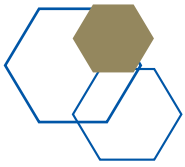
For the financial year under review, the Annual Performance Plan was not revised.

Table 2.4.4.2: A report against the originally tabled Annual Performance Plan

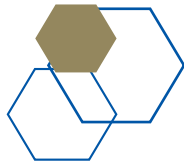
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	*Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Optimised public-owned fixed property portfolio	Kopanong Precinct delivered in accordance with PPP project milestones	Annual project milestones achieved for the implementation of Kopanong precinct	Revised feasibility and affordability report and submitted to Provincial Treasury for approval	-	Commencement of Phase A: Construction for Kopanong Precinct Project	-	Commencement of Phase A: Construction for Kopanong Precinct Project	Bid Evaluation Committee (BEC) process was delayed with unforeseen complexities resulting in final BAC report only being received in March 2022.
	Non-core properties (residential) disposed	Number of planned non-core (residential) properties disposed of per annum	Indicator not in the APP	-	10	5	5	Sale agreements (OTPs) were concluded for 14 properties which are deemed sold. However, conveyancing process (transfers) did not conclude within the 2021/2022 financial year. Sold properties are considered disposed when they are successfully transferred at the deeds office which will enable them to be removed from the Immovable Asset Register (IAR).
	Land and buildings released for development or commercialisation	Number of properties released for socio-economic infrastructure development	Indicator not in the APP	-	6	6	-	No deviation.
		Number of land parcels released for socio-economic purpose	Indicator not in the APP	Indicator not in the APP	2	2	-	No deviation.
		Rand value of revenue generated from GPG property portfolio	Indicator not in the APP	-	R6,635,548	R 13 206 474.71	R6 570 926.71	The overachievement was due to initiatives such as, the development and approval of the Debtors Management Policy and sending demand letters to defaulting tenants.



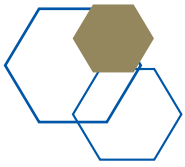
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	*Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
		Number of facilities/buildings provided to users (fit for purpose)	3	7	8	9	1	Overachievement is due to a request made from Department of Social Development for temporal accommodation due to repairs.
		Number of utilisation inspections conducted for office accommodation	Indicator not in the APP	Indicator not in the APP	4	4	-	No deviation.
		Number of GPG-owned nature reserves and resorts commercialised per annum	New indicator	-	1 (Vaal)	1	-	No deviation.
	Compliant Immovable Asset Register produced	Number of immovable assets verified in the Immovable Asset Register (IAR)	7 033	2 069	8 279	8 296	17	The target has been exceeded due to additional immovable assets recorded in the Asset Register.
Efficient and effective delivery of smart public infrastructure	Design of infrastructure projects	Number of infrastructure designs ready for tender (IDMS Gate 4):	2	-	16	4	-12	



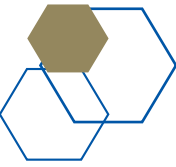
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	*Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
		Health	1	-	7	2	-5	• Tshwane Rehabilitation Hospital - Project was not ready for tender due to non-performance of Professional Service Provider (PSP). • Tambo Hospital - Project achieved in 2020/21 financial year. • Tembisa Hospital OHS - Project achieved in 2020/21 financial year. • Masakhane Laundry - Project did not go through normal tender process. • Edenvale Hospital - Project achieved in 2020/21 financial year.
		Social Development	-	-	2	-	-2	• Bertha Gxowa Primary and Wedela Primary School - were not achieved due to delay on the approval of initiation report by client department.
		DSACR	Indicator not in the APP	Indicator not in the APP	3	-	-3	• Kocksoord, Mullerstuine Library and MH Joosub Secondary School - were not ready for tender due to delay on the approval of initiation report by client department.
		DID	1	-	4	2	-2	• Geluksdal Primary and Rekopantse Primary - were not achieved due to delay on the approval of initiation report by client department.
		Number of new facilities completed	5	3	13	6	-7	
Construction of Infrastructure		Education	1	-	3	2	-1	• Bramfischerville Primary School - Project could not be completed due to delays in CE's approval.



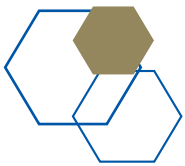
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	*Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
		Health	2	-	7	3	-4	Finetown Clinic - Non-completion is due to delays in electrical connection by Eskom. Sebokeng Zone 17 Clinic - Delay in sub-division and Eskom bulk connection. Kekanastad Clinic - could not be completed due to delays in approval of CEs. Mandisa Shiceka - Non-completion is due to the Department awaiting the appointment of a conveyancer.
		Social Development	-	-	2	1	-1	Bantu Bonke ECDC - Delay on approval of budget for CE by the client.
		DSACR	2	3	1	-	-1	Impumelele library - The project could not be completed due to slow progress by the contractor. The project has been sectionally completed and waiting for municipality to issue occupancy certificate.
		Number of facilities renovated	15	15	11	6	-5	
		Education	12	11	6	5	-1	Thubelihle Primary School - Project could not be completed due to contractors experiencing cash flow challenges.
		Health	2	4	2	-	-2	SG Lourens - The project was not completed as it was due for an inspection test which it ultimately did not pass due to technical faults. Bertha Gxowa - Project delays due to non-payment.



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 2021/2022	Reasons for deviations
Functional, reliable and compliant infrastructure	Delivery of solar PV Green Agenda projects	STARS (DID)	1	-	3	1	-2	• SA Perm OHS - The project was not completed due to access limitation to the floors. • 75 Fox OHS - delayed due to non-performance of the contractor.
		Green Agenda projects delivered in accordance with the PPP processes	Indicator not in the APP	Indicator not in the APP	Obtain TALLI Approval from NT & Certificates of Compliance	-	Obtain TALLI Approval from NT & 1 Certificates of Compliance	Ten of 11 Small Embedded Generation License (SSEG) Certificates were received for 10 facilities, however 1 is still outstanding for Dr George Mukhari. Eskom is not responsive.
	Comprehensive maintenance programme	Number of condition assessments conducted on state-owned buildings	-	45	70	4	-66	
		STARS	-	41	66	-	-66	Delays in the appointment of PSP in conducting condition assessment.
		Health infrastructure (Health facilities)	Indicator not in the APP	4	4	4	-	No deviation.
		Number of facilities' condition-based assessment ratings improved to a rating of 3 and above	New indicator	-	Not planned	Not applicable	Not applicable	Not applicable.



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 2021/2022	Reasons for deviations
Capable, ethical and developmental organisation	GPG Public Infrastructure Centre (Centre of Excellence) established	Number of planned maintenance projects awarded	83	89	100	106	6	
		Health	3	59	60	60	-	No deviation.
		STARS	80	30	40	46	6	Overachievement is due to approval and implementation of the planned maintenance approach. The approach requires the appointment of all service providers at once for services to be rendered over a period of 12 months.
		Number of Planned Maintenance Projects completed	70	45	80	80	-	
		Health	60	15	40	40	-	No deviation.
		STARS	10	30	40	40	-	No deviation.
		Approved concept document on the establishment of fully-functional GPG Public Infrastructure Nerve Centre	Indicator not in the APP	Concept document and design approved	Approved business case	-	Approved business case	Development of the business case delayed due to inability to source the relevant service provider in the market due to limited budget constraints and adequate and relevant expertise.
		User Satisfaction Survey conducted to assess quality of services provided	Indicator not in the APP	Indicator not in the APP	1 User Satisfaction Survey conducted to assess quality of service provided	1	-	No deviation.



Linking performance with budgets

In this programme, the Department has spent about 99.17% of the budget allocation. On programme performance, Public Works has during the year under review achieved 14 (48%) of its targets. Majority of the performance strides were in Property Management with a total of eight (28%) targets being met.

Sub-programme expenditure

Sub-Programme Name	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	225 347	196 170	29 177	229 693	226 977	2 716
Maintenance	666 095	673 474	(7 379)	636 347	635 014	1 333
Immovable Asset Management	1 760 144	1 760 131	13	1 799 831	1 795 587	4 244
Total	2 651 586	2 629 775	21 811	2665 871	2 657 579	8 292

Strategy to overcome areas of under performance

The Department adopted strategies to address underperformance which comprise of among others, instituting terms of contracts in instances where there is poor performance of contractors. These included among others, issuing of warning letters, termination of contracts etc. There are other conditions which pose challenges in reaching set programme targets during the reporting period, and some of these are often not within the control of the Department. These include withdrawal of projects, change of scope, community protests, and others.

4.3 Programme 3: Expanded Public Works

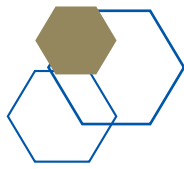
Programme Purpose

The purpose of Expanded Public Works Programme (EPWP) is 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 coordination of the EPWP Programme. The EPWP is a nationwide programme aimed at the reorientation of the public-sector spending in favour of projects that create more work opportunities. Its sub-programmes are as follows:

- Provincial coordination.
- EPWP monitoring and evaluation.
- Innovation, empowerment and community development.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

The EPWP is a public employment programme that aims to provide temporary work to economically marginalised citizens. The programme aims at providing an economic safety net to ensure that there is some sort of income in households to provide for basic needs. The EPWP is a broader government strategy to alleviate poverty through reduction of unemployment. The programme has drawn significant numbers of the unemployed into productive work, where they acquire skills while being gainfully employed. The Department managed to provide work opportunities to more than 2 600 beneficiaries. Some of the beneficiaries were trained in different skills development.

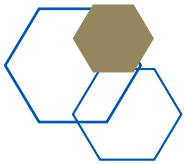


2.4.4.1: A report against the originally tabled Annual Performance Plan until date of re-tabling

For the financial year under review, the Annual Performance Plan was not revised.

Table 2.4.4.2: A report against the originally tabled Annual Performance Plan

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 2021/2022	Reasons for deviations
Poverty relief and improved employability of programme beneficiaries	Coordination of the reporting of EPWP work opportunities by GPG Departments	Number of EPWP work opportunities reported by the infrastructure sector in Gauteng (GPG departments)	Indicator not in the APP	13 449	21 009	12 021	-8 988	Non-achievement due to: • Delayed projects. • Budget cuts. • Late appointment of contractors. • Lack of portfolio of evidence reporting.
		Number of EPWP work opportunities reported by the social sector in Gauteng	Indicator not in the APP	21 965	22 369	24 317	1 948	The improved reporting is due to capacity building of EPWP officials and thus having more projects being reported. More projects identified and planned to produce work opportunities.
		Number of EPWP work opportunities reported by the environment sector in Gauteng	Indicator not in the APP	1 496	1 552	2 632	1 080	Improved reporting and data collection.
	Coordination of the reporting of EPWP work opportunities by GPG municipalities	Number of work opportunities created by Provincial Public Works	5 757	Indicator not in the APP	2 500	2 630	130	Attrition and replacement of participants due to resignations.
		Number of EPWP work opportunities reported by Gauteng municipalities	Indicator not in the APP	1 625	55 039	35 722	-19 317	Non-achievement due to: • Delayed projects. • Budget cuts. • Late appointment of contractors. • Lack of portfolio of evidence reporting.
Skills development of EPWP beneficiaries	Skills development of EPWP beneficiaries	Number of EPWP participants successfully completed skills development programmes	252	-	2 500	1 950	550	Procurement issues regarding transportation.
		Number of participants participating in the Contractor Development Programme (CDP)	Indicator not in the APP	Indicator not in the APP	20	20	-	No deviation.



Linking performance with budgets

In Programme 3, a total of three out of seven targets were achieved. This is represented by 43%, while on expenditure, the Expanded Public Works Programme spent approximately 86% of budget allocation.

Sub-programme expenditure

Sub- programme Name	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
Programme Support	25 828	20 276	5 552	101 508	19 845	81 663
Community Development	140 947	122 717	18 230	59 000	35 900	23 100
Total	166 775	142 993	23 782	160 508	55 745	104 763

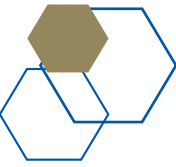
Strategy to overcome areas of under performance

In efforts to ensure improvement on data collection and reporting, the Department committed to utilise the Biometrics System for reliable and accurate record of participants within the programme. In addition, the EPWP convenes monthly and quarterly meetings with all public bodies to encourage timeously reporting with regard to number of work opportunities created and training conducted.

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

Certain sectors with concurrent functions have approved standardised outputs and output indicators that must be reflected in the Annual Performance Plan and reported on in the annual report. In addition to the standardised outputs and output indicators the department may have non- standardised outputs and output indicators which must be included in the Annual Performance Plan and reported on in the Annual Report.

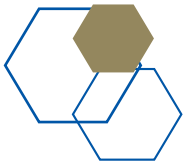
In this section, a department must explain with reasons on instances where standardised outputs and output indicators have not been incorporated in the Annual Performance Plans and therefore not implemented and reported on in the Annual Report.



Reporting on the Institutional Response to the COVID-19 Pandemic

Table below detail progress on Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographic location (Province/District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
R3628 000.00	Provision of psychosocial support	- JHB CBD - Tulisa Park - Tshwane	156	-	R 550 000	R382 555.64		Improved employee performance and wellbeing.
	Provision of bereavement support	- Westhoven - Springs - Bara - Sedibeng	10	-	R 1 078 000.00	R467 250.00		Improved healing for employees and families affected by fatalities.
	EHWP capacity building		2574	-		R439 250.00		Increased visibility of Employee Health and Wellness programme. Demonstrate the caring of the employer.
	Provision of equipment to wellness clinics		2574	-		R456 481.60		EHW SMT compliance as per all EHW pillars.
	Provision of first aid equipment to manage injury on duty		161	-	R2 000 000. 00	R161 874.00		Effective response to internal injuries.
	Baseline risk assessment, framework and OHSMS implementation		2574	-		R 1 615 100		OHS compliance.
	Training of OHS structures		314	-	-	-		OHS compliance.
	COVID 19 vaccinations administered		884	-	-	-		Compliance with COVID-19 circulars and guidelines issued by the Department of Public Services and Administration.



Budget Programme	Intervention	Geographic location (Province/District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
	DID COVID-19 cases managed		422	-	-	-		Compliance with COVID-19 circulars and guidelines issued by the Department of Public Services and Administration.
	Management of IOD cases		9	-	-	-		CODA compliance.
	Provision of Functional Capacity Evaluation for reasonable accommodation		2	-	-	-		Improved employee productivity.
	Management of COVID-19 comorbidity applications		176	-	-	-		Compliance with COVID-19 circulars and guidelines issued by the Department of Public Services and Administration.
	Medical surveillance monitored		332	-	-	-		OHS compliance.
	Weight management support group		297	-	-	-		Adoption of healthy lifestyle.
	Provision of health risk assessments		137	-	-	-		Adoption of healthy lifestyle.
	Established pilot of fully-fledged DID wellness clinics for Tshwane Region		266	-	-	-		Improved declaration of non-communicable and communicable diseases.



5. TRANSFER PAYMENTS

There were no transfer payments made by the Department.

6. CONDITIONAL GRANTS

The Department has paid no conditional grants during the year.

6.1 Conditional grants and earmarked funds received

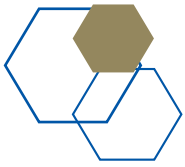
The table below details the conditional grants and ear marked funds received during for the period 1 April 2021 to 31 March 2022.

Conditional Grant:

Department who transferred the grant	National Public Works
Purpose of the grant	Incentive funding to create additional work opportunities
Expected outputs of the grant	To alleviate unemployment and to create more work opportunities for 2 500 participants
Actual outputs achieved	2 630 work opportunities created
Amount per amended DORA	N/A
Amount received (R'000)	R18 988
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	R18 981
Reasons for the funds unspent by the entity	N/A
Reasons for deviations on performance	N/A
Measures taken to improve performance	N/A
Monitoring mechanism by the receiving department	Site visits – conditions as per the ministerial determination, monthly progress meetings with project co-operation

7. DONOR FUNDS

Information on donor funds is not applicable for the Department.



8. CAPITAL INVESTMENT

8.1 Capital investment, maintenance and asset management plan

The Department applied different data collection methods and it confirms that the DID spent 19% of the equitable share funding allocated to infrastructure. The underexpenditure on the allocation was mainly attributed to performance of projects under construction, which were allocated 56% of the overall budget.

Delays in the appointment of the Project Management Unit (PMU) and Project Office (PO) resulted in further underexpenditure. Moreover, lack of responses from client departments in the Emoyeni and Roodeplaat projects also caused underexpenditure.

The report further has the objective of reflecting on lessons learnt and to put forward proposals for improved service delivery. Some of the proposed solutions to improve performance includes:

- Improved interactions with client department and internal divisions to accelerate approvals.
- Prioritise appointments of technical personnel to improve performance.
- Improve coordination and general contract management.
- Appointment of contractors and PSPs with adequate capacity to deliver.

A summary of the proposed recommendations on how programme management will be improved include the relocation of staff to other buildings, integration with the Kopanong Precinct Project, digitalising document routing and approvals, improving OHS matters and the appointment of vacant and required personnel.

Infrastructure projects	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
New and replacement assets	-	-	-	-	-	-
Existing infrastructure assets	112 860	67 576	45 284	118 799	119 238	(439)
Upgrades and additions	-	-	-	-	-	-
Rehabilitation, renovations and refurbishments	50 415	10 143	40 272	57 509	57 509	-
Maintenance and repairs	62 445	57 433	5 012	61 290	61 729	(439)
Infrastructure transfer	-	-	-	-	-	-
Current	-	-	-	-	-	-
Capital	-	-	-	-	-	-
Total	112 860	67 576	45 284	118 799	119 238	(439)

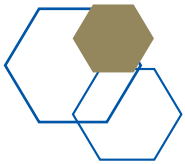
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PART C

GOVERNANCE



1. INTRODUCTION

Commitment by the Department to maintain the highest standards of governance is fundamental to the management of public finances and resources. Users want assurance that the Department has good governance structures in place to effectively, efficiently and economically utilise State resources, which is funded by the taxpayer.

2. RISK MANAGEMENT

The Department has an approved Enterprise Risk Management Framework, which is supported by an approved Enterprise Risk Management Policy. During the year under review, Strategic Risk Assessment and Control Risk Self-Assessments (Operational Risk Assessments) for all functional units were conducted. In promoting good governance, the Risk Management Operational Committee is operational and is chaired by an Independent and External Chairperson. The Committee has met in all four quarters and is governed by an approved Terms of Reference. The Committee provides oversight on Governance Assurance and advises the HOD on the effectiveness of Risk Management in the department. The Audit Committee meets quarterly to discuss quarterly reports by the department. The Risk Management Report is one of the reports that are submitted to the Audit Committee for discussion, deliberation and reports back on the implementation and effectiveness of Risk Management in the Department. The implementation of Risk Management Action Plans (Mitigating Actions) is monitored through the AGSA and the Risk Management War Room. The implementation of Action Plans assists in enhancing the Department's performance, and where required, additional interventions are drafted and implemented.

3. FRAUD AND CORRUPTION

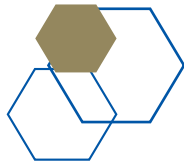
The Department has an approved Fraud Prevention Plan, containing the Fraud Risk Register. The implementation of Fraud Risk Action Plans is monitored and reported to oversight structures, e.g. Audit Committee. Mechanisms are in place to report fraud and corruption and how these operate. The need for officials to make confidential disclosure about perceived and/or actual incidents of fraud and corruption is encouraged, through mechanisms such as the National Anti-Corruption Hotline (NACH), the Premier's Hotline, etc. Reported cases of perceived and/or actual incidents of fraud and corruption are investigated and, where required, consequence management is instituted.

4. MINIMISING CONFLICT OF INTEREST

The Department has put mechanisms in place for officials who wish to apply for Remunerative Work Outside the Public Service (RWOPS). A register is in place for all applications submitted, approved and those that are declined. As per the Public Service Regulations, the Department conducts an analysis of disclosures of financial interest aimed at identifying conflict of interest.

5. CODE OF CONDUCT

It is a requirement for officials in Supply Chain Management to enter into agreements to abide with the Code of Conduct. The officials are also required to sign the Declaration of Secrecy. The Code of Conduct is a pledge to perform duties with integrity covers issues of confidentiality, combating of fraud and corruption.

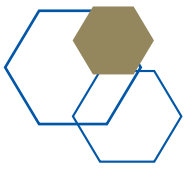


6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

Occupational Health and Safety (OHS) compliance is a legislated requirement and is critical for the creation and maintenance of health, safety and sustainable working environments. The provision of adequate office accommodation that will enable the uninterrupted delivery of services is a high priority. For a successful and sustainable OHS compliance to be realised, in line with the OHS Act (Act 85 of 1993), governance structures must be established and functional. For the year under review, the Department has appointed the external auditors to assist with OHS compliance. Furthermore, eleven OHS Officers have been appointed to oversee OHS-related matters and their functions include conducting the following:

- Conducting risk assessments across the Department.
- Ensuring that SHE Committees are held at facilities.
- Ensure that OHS inductions are done for all DID employees.
- Provide and facilitate training to OHS Committees – Refresher trainings.
- Manage accidents/incidents within the Department.
- Conduct OHS inspections and preparation of statutory monthly reports.
- Manage the emergency evacuation and responses at facilities – performing of emergency evacuation drills.
- Conduct OHS Policy awareness to employees across the Department.
- Development and align the OHS documentation with the DID.

The Department has also completed the training needs analysis for SHE representatives, such as the first aiders, fire fighters and fire evacuation marshals. In addition, the Department has further established the SHE Committees and the meetings are being held in various Regional facilities.



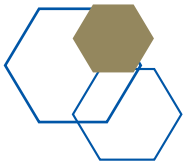
7. PORTFOLIO COMMITTEES

For the 2021/22 financial year, the Department attended the meetings indicated below, as requested by the Infrastructure Portfolio Committee. The Department has managed to respond on time to all questions that were raised by the Portfolio Committee. The Department delegations that attended the meetings were led by the MEC, who was accompanied by the Head of Department and other Executive Managers of the Department. The dates of the meetings are outlined below:

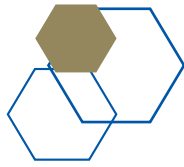
DATES OF MEETINGS	INFRASTRUCTURE PORTFOLIO COMMITTEE (IPC) AGENDA ITEMS	DID'S RESPONSE TO AGENDA ITEMS
25 May 2021	Progress report on the following projects: 1. Bantu Bonke ECDC.	The Department did a presentation on Bantu Bonke Early Childhood Development Centre.
	2. Detailed report on the Boitumelo Clinic Ward 27, Emfuleni Municipality including budget spent.	The Department did a presentation on Boitumelo Clinic.
	3. Detailed report on the Sebokeng Zone 17 Clinic, including Budget spent and status.	The Department did a presentation on Sebokeng Zone 17 Clinic.
	4. Detailed report on the Sebokeng DLTC including budget spent.	The Department did a presentation on the Sebokeng DLTC including budget spent.
03 June 2021	Progress report of the following projects: 1. Fourth quarter Performance Report for the 2020/21 financial year.	The Department did a presentation on the DID's fourth quarter Performance Report for the 2020/21 financial year.
	2. Budget Vote Report for the 2021/22 financial year.	The Department did a presentation on the DID Budget Vote Report for the 2021/22 financial year.
	3. Progress report on the Permanent Occupational Certificate of Nokuthula LSEN School.	The Department did a presentation on occupational Certificates of Nokuthula LSEN School and Noordgesig Primary School.
	4. Progress report on the permanent occupational certificate of the Noordgesig Primary School.	
	5. Progress on installation of water at Kekanastad Clinic.	The Department did a presentation on Kekanastad Clinic.
	6. Progress on Mandisa Shiceka Clinic.	The Department did a presentation on Mandisa Shiceka Clinic.
	7. Detailed budget spent and progress report of the COVID-19 projects.	The Department did a presentation on COVID-19 projects.
	8. Detailed report on the DID COVID-19 expenditure.	The Department did a presentation on COVID-19 expenditure report.
	9. Progress report of the Finetown Clinic	The Department did a presentation on Finetown Clinic.
11 June 2021	1. Report on the mainstreaming of transversal issues in procurement (Youth, Women, People with Disabilities).	The Department did a presentation on the mainstreaming of transversal issues in procurement (Youth, Women, People with Disabilities).
13 July 2021	1. The DID Annual Performance Plan for the 2021 financial year.	The Department did a presentation on the DID's Annual Performance Plan for the 2021 financial year.
19 August 2021	1. Feedback on Boksburg North Properties 2. Progress report on the G-Fleet Project and issuance of certificates to participants.	The Department did a presentation on Boksburg North Properties and progress report on the G-Fleet Project and issuance of certificates to participants.
27 August 2021	1. The DID Presentation on the 1st Quarter Performance Report.	The Department did a presentation on its first quarter Performance Report.
	FIS emanated from the Budget Vote Report roundtable discussion.	The Department did a presentation on FIS report emanating from the Budget Vote Report Round Table Discussion.



DATES OF MEETINGS	INFRASTRUCTURE PORTFOLIO COMMITTEE (IPC) AGENDA ITEMS	DID'S RESPONSE TO AGENDA ITEMS
27 August 2021	Committee decision on conducting an Inquiry on Mayibuye Primary School Project.	The Department did a presentation on the Mayibuye Primary School Project.
10 November 2021	Progress report on the Boksburg and Randhart State properties.	The Department did a presentation on the Boksburg and Randhart State properties.
18 November 2021	Progress report on: 2nd Quarter Performance report for the 2021/22 FY	The Department did a presentation on the DID's second quarter Performance Report for the 2021/22 financial year.
	Annual Report for the 2020/21 financial year.	The Department did a presentation on the DID's Annual Report for the 2020/21 financial year.
	The New Kekanastad Clinic Project. Permanent occupational certificates of Nokuthula LSEN and Noordgesig Primary School	The Department did a presentation on Kekanastad Clinic Project. The Department did a presentation on the issuance of permanent occupational certificates of Nokuthula LSEN and Noordgesig Primary School.
	Bantu Bonke ECDC.	The Department did a presentation on Bantu Bonke ECDC.
	Kopanong Hospital.	The Department did a presentation on Kopanong Hospital.
	Rus Ter Vaal Secondary School.	The Department did a presentation on Rus Ter Vaal Secondary School.
	Finetown Clinic.	The Department did a presentation on Finetown Clinic.
22 November 2022 Finance Portfolio Committee	Second quarter 2021/22 financial year, financial performance. The Department was invited to table a presentation on its financial performance for the second quarter of the 2021/22 financial year.	The Department did a presentation on its financial performance for the second quarter of the 2021/22 financial year.
22 February 2022 Joint Committee Meeting; (Infrastructure Portfolio & Health Portfolio Committees)	Presentations on: Third quarter performance report for the 2021/22 financial year.	The Department did a presentation on the DID's Quarter 3 Performance Report for the 2021/22 financial year.
	1. Detailed presentation on the progress of the adopted FIS topic on the Department of Health Maintenance at the following hospitals and clinics: - Anglo Ashanti Hospital - West Rand - Leratong Hospital - Randfontein - Heidelberg Hospital - Heidelberg - Themba Hospital - Hammanskraal Hospital - Charlotte Maxeke Academic Hospital - Baragwanath Hospital - Soweto - Leratong Hospital - Randfontein - Jahan Hynes CHC - Vanderbijlpark - Kopanong Hospital	The Department did a presentation to the joint committee meeting on progress with all Infrastructure Projects for the Department of Health on maintenance.



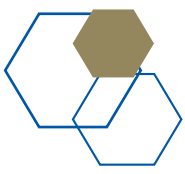
DATES OF MEETINGS	INFRASTRUCTURE PORTFOLIO COMMITTEE (IPC) AGENDA ITEMS	DID'S RESPONSE TO AGENDA ITEMS
24 February 2022 Finance Portfolio Committee Meeting	3rd Quarter 2021/22 FY Financial Performance The Department was invited to table a presentation on its financial performance for the 3rd Quarter for 2021/22 FY	The Department did a presentation on its financial performance for the 3rd Quarter for 2021/22 FY
10 March 2022 Finance Portfolio Committee Meeting	Report on the Gauteng Provincial Government's Adherence to 30 Days Payment Period to Service Providers. The Department was invited to table a presentation on its compliance with Government 30 Days payment to service providers.	The Department did a presentation on its compliance to 30 days payment period to service providers.
10 March 2022	Progress report on the issuance of the permanent occupational certificates of the: • Nokuthula LSEN School (DID & CoJ) • Noordgesig Primary School (DID & CoJ) Progress on the following projects: 1. Mayibuye Clinic 2. Randfontein Clinic 3. Merafong Clinic 4. Khutsong Clinic	The Department did a presentation on the progress on Nokuthula LSEN School and Noordgesig Primary School permanent occupational certificates. The Department did Presentation on progress with Health Projects



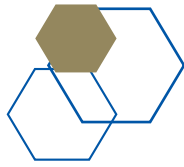
8. SCOPA RESOLUTIONS

The Standing Committee on Public Accounts (SCOPA) Report on the Auditor-General's Report on the financial statements and performance information of the DID for the year ended 31 March 2022.

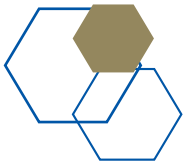
Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
1	Material Uncertainties	That the Department must submit quarterly progress report on the finalisation of the lawsuits reported for the period to 31 March 2020 by 31 July 2021 and a quarterly progress continuing up until finalization thereof.	That the Department must submit quarterly progress report on the finalisation of the lawsuits reported for the period to 31 March 2020 by 31 July 2021 and a quarterly progress continuing up until finalisation thereof.	Yes
2	Material Uncertainties	That the Department must investigate alternative measures to reduce the occurrence of lawsuits and submit the plan to the Committee by 31 July 2021.	Service providers to submit invoices through the Electronic Invoicing System. Provide training on Conditions of Contracts.	Yes
3	Restatement of corresponding figures	That the Department must implement adequate processes to curb restatements of corresponding figures and provide the Committee with a progress report detailing the effectiveness of the processes by 31 July 2021 and a quarterly progress report continuing up until the end of June 2022.	The Finance Directorate prepares both the Interim Financial Statements and the Financial Statements quarterly and at year end. The Department has initiated an "Audit War Room", whereby, all the Financial Statement notes are discussed. This platform is to allow Directors/Chief Directors and DDG's to illustrate to the Department challenges around their respective areas and to take accountability around the figures that would be disclosed in the Financial Statements. Directors manage the process of finalising the figures for respective notes as per their areas of responsibility and submit same to Finance to be included on the Financial Statements. During the process of preparation, they then ensure that there is no information left out/omitted on the note to avoid incompleteness/understatements and overstatements. The Finance Section would then have an overview of the submitted note and if there are any concerns, they would be raised with the relevant unit for correction or clarity. Relevant supporting documents would be shared with Finance to compile a pack of the Financial Statements.	Yes
4	Payable not recognised	That the Department must submit its plan to prevent over commitments. This plan must include the assessment of its effect in the 2020/21 financial year, by 31 July 2021. That the Department must also submit quarterly assessment reports on the implementation of the plan and its impact on the 2021/22 financial year, every quarter continuing up until the end June 2022.	The Department has established a Quality Assurance Committee which will develop an integrated reporting template that will align the Annual Performance Plans, Annual Operating Plans, Budget and the Procurement Plans. This template will assist the Department in tracking performance monthly and ensuring that the Department procures only what is in line with the Annual Performance Plan, Budget and the Procurement Plan.	Yes



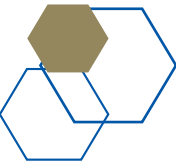
Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
5	Annual Financial Statements	The Department must provide the Committee with a progress report detailing the effectiveness of the dedicated team to prepare the interim financial statements during the year, as well as the annual financial statements by 31 July 2021 and a quarterly progress report continuing up until the end of June 2022.	The current team in Finance that prepares the Financial Statements, have the necessary qualifications for the purpose of compiling the Financial Statements. The notes are prepared by one official and then submits for review to the supervisor. The supervisor uses the accounting assertions for completeness, accuracy and existence. After the supervisor has checked the respective note, he/she will then sign it off and submit the copy to the file. The file will then be submitted to the Deputy Director, Director, Chief Director and the Chief Financial Officer for reviews. A complete file will then be submitted to Gauteng Treasury and Internal Control for reviews. Upon completion of reviews by both Internal Control and Gauteng Treasury, they will forward a report with comments and all the recommended changes would be effected on the financial statements and a copy of the revised set of financial statements would be shared with all parties. The Financial statements would then be submitted to the Gauteng Treasury for submission to the Auditor-General.	Yes
6	Thirty (30) days payment	That the Department must provide the Committee with a progress report detailing the effectiveness of the inclusion of the 30 days payment as a target in its Annual Performance Plan to address the delays in paying service providers by 31 July 2021 and every quarter continuing up until the end of June 2022.	Kindly note that the percentage of valid invoices for service providers settled within 30 days is now in the 2021/22 Annual Performance Plan with the target of 75% annually, as well as 75% each quarter. Over and above in line with Revised Framework for Strategic Plans and Annual Performance Plans, Annual Operational Plans (AOPs) are developed and used as a management tool to inform performance agreements. Therefore, this indicator or target has been cascaded to Departmental Operational Plans which are aligned to all Managers/ SMS Performance Agreements. In the AOP the target is 100% submission of payment documents to Finance within 7 days of receipt from service providers. Lastly, the AOP has activities that ensure follow-ups with the service providers are done to ensure that all invoices are paid within 30 days. The Department has developed a 30-days payment plan that clearly stipulate the target and timelines as to when the set target will be achieved. A Payment War Room has been established to deal with long outstanding invoices in the system and progress is presented and discussed in the Auditor-General War Room on weekly basis. The payment process between client department and the DID was reviewed to incorporate the proposed payment strategy. The Department has achieved 70% of their annual target with regard to payment of invoices within 30 days that relates to the DID only. The Department is also looking at the option of creating Inter-departmental account to deal with either advance transfer or overdraft facility to settle all invoices that are due within 30 days. Part of the improvement plan includes accountability at the Senior Management level by incorporating 30 days payment into their performance agreements. The Department will continue to provide training to the service provider on how to upload invoices on EIS.	Yes



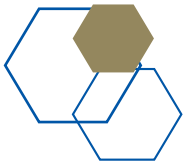
Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
7	Irregular expenditure	That the Department must submit its plan to prevent the occurrence of irregular expenditure, by 31 July 2021. This plan must include the assessment of its effect in the 2020/21 financial year.	All expenditure occurred that contravenes applicable legislature shall be recognised as irregular expenditure. It is therefore, incumbent that the Department focuses on the applicable legislature or prescripts governing procurement of goods and services and ensure that officials engaged in procurement activities are well informed on the same. Thus, the proposed to equip officials shall be as follows: • A central point in the Departmental website to house all relevant prescripts, policies, checklists, standard operation procedure, regulations, bid committee charters, delegations, practice notes for easier reference by all departmental officials. • Supply Chain Management (SCM) training for all newly-appointed SCM officials regarding SCM prescripts and processes. Further to that the information sharing sessions with all SCM practitioners be held on a monthly basis to discuss new regulations and also to check if the process is applied the same. • Manager's responsible for authorisation of transactions to ensure compliance to process prior to authorisation. • The SCM directorate has communicated via newflash the procedure outlining the deviation from competitive bidding process to ensure adherence to this process and the disciplinary process thereof in case of transgression. • Updated delegations of authority must be communicated to all officials i.e. the limit of Rand value that officials can authorise for the procurement of goods and services	Yes
8	Irregular expenditure	That the Department must submit its plan to investigate and reduce the irregular expenditure accumulated over years by 31 July 2021 and a quarterly progress report continuing up until finalisation thereof.	• Plan to investigate irregular expenditure • The recruitment process to appoint investigators who will prioritise all irregular expenditure allegations is underway. It is envisioned that the appointments will be made by end of Quarter 1, 2021/22 financial year. • Harsh disciplinary action shall be instituted against officials who do not adhere to prescribed procurement processes.	Yes
9	Internal control deficiencies	That the Department must provide the Committee with a progress report detailing the effectiveness of measures put in place to address findings on internal controls deficiencies by 31 July 2021 and every quarter continuing up until the end of June 2022.	The Department developed Audit Action Plans to address audit findings internal control deficiencies which were identified during the audit. The internal control deficiencies included lack of effective oversight to ensure that action plans were adequately implemented and monitored and proper record keeping. Request for information (RFI) by AGSA is tracked on a weekly basis through the Audit War Room meetings to ensure timely submission of information for audit purposes. Refer to the attached Audit Action Plans "Annexure B".	Yes
10	Investigations	That the Department must provide the Committee with a progress report detailing the status of the investigations by 31 July 2021 and a quarterly progress report continuing up until finalization thereof.	The details of the investigations are as follows:	Yes



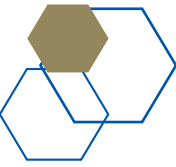
Resolution No.	Subject	Details	Response by the department			Resolved (Yes/No)
			(a) Summary of the nature of the investigation	(b) Stage of the investigation by 31 December 2020	(c) Where the investigations are completed, provide summary of measures which were recommended and the stage of implementation of these recommendations by 31 December 2020	
			1. Investigation into allegation of irregular expenditure (Palenova)	Investigation completed	Matter referred to Labour Relations. Disciplinary action to be instituted against the official. Letter of condonement to be submitted to the Accounting Officer for approval.	
			2. Investigation into allegation of irregular expenditure (Sinesim)	Investigation completed	The investigation revealed that no employee should be liable. Letter of condonement to be submitted to the Accounting Officer for approval.	
			3. Investigation into allegation of irregular expenditure (Zuloo Holdings)	Investigation completed	Disciplinary actions to be instituted against the official. Letter of condonement to be submitted to the Accounting Officer for approval.	
			4. Investigation into allegation of irregular expenditure (Stabus Tours)	Investigation completed	Disciplinary action to be instituted against the official. Letter of condonement to be submitted to the Accounting Officer for approval.	
			5. Investigation into allegation of irregular expenditure (Freeway Busses)	Investigation completed	Disciplinary action to be instituted against the official. Letter of condonement to be submitted to the Accounting Officer for approval.	



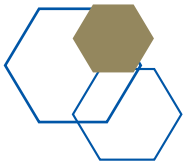
Resolution No.	Subject	Details	Response by the department				Resolved (Yes/No)
			Investigation into allegation of irregular expenditure (Rates and Taxes)	Investigation completed	The investigation revealed that no employee should be held liable for the transaction that resulted in the irregular expenditure as at the time of the transaction the Department did not have approved financial delegations for rates and taxes. Warning letter to be issued to the official who approved payments without authority. Letter of condonement to be submitted to the Accounting Officer for approval.	Not applicable	
6							
7			Investigation into allegation of irregular expenditure (Sibani)	Investigation completed	Pending.	By end of July 2021	
8			Investigation into allegation of irregular expenditure (Lumacon)	Investigation completed	Pending.	By end of July 2021	



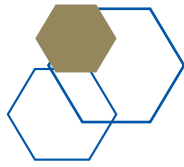
Resolution No.	Subject	Details	Response by the department						Resolved (Yes/No)
			9	Investigation into allegation of irregular expenditure (Sebushi Somo)	Investigation completed	Disciplinary action to be instituted against the officials. Letter of condonement to be submitted to the Accounting Officer for approval	Not applicable		
			10	Investigation into allegation of irregular expenditure (Motheo)	Investigation completed	Letter of condonement to be submitted to the Accounting Officer for approval.	Not applicable		
			11	Investigation into allegation of irregular expenditure (Circle Seven)	Investigation completed	Disciplinary action to be instituted against the officials. Letter of condonement to be submitted to the Accounting Officer for approval.	Not applicable		
			12	Investigation into allegation of irregular expenditure (Maraba Security Services)	Investigation completed	Disciplinary action to be instituted against the officials Letter of condonement to be submitted to the Accounting Officer for approval.	Not applicable		
			13	Investigation into allegation of irregular expenditure (Kyasa Project Management)	Investigation completed	Disciplinary action to be instituted against the officials. Letter of condonement to be submitted to the Accounting Officer for approval.	Not applicable		
			14	Investigation into allegation of irregular expenditure (Kyasa Project Management)	Investigation completed	Disciplinary action to be instituted against the officials. Letter of condonement to be submitted to the Accounting Officer for approval.	Not applicable		



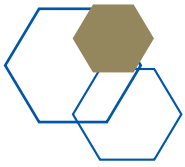
Resolution No.	Subject	Details	Response by the department				Resolved (Yes/No)
15			Investigation into allegation of irregular expenditure (Kidoo General Enterprise)	Investigation completed	Disciplinary action to be instituted against the officials. Letter of condonement to be submitted to the Accounting Officer for approval.	Not applicable	
16			Investigation into allegation of irregular expenditure (Long Live Projects)	Investigation completed	Disciplinary action to be instituted against the officials. Letter of condonement to be submitted to the Accounting Officer for approval.	Not applicable	
17			Investigation into allegation of irregular expenditure (Mapengo Security and Cleaning)	Investigation completed	Disciplinary action to be instituted against the officials. Letter of condonement to be submitted to the Accounting Officer for approval.	Not applicable	
18			Investigation into allegation of irregular expenditure (Impisi Security Services CC)	Investigation completed	Disciplinary action to be instituted against the officials. Letter of condonement to be submitted to the Accounting Officer for approval.	Not applicable	
19			Investigation into allegation of irregular expenditure (Rebosis)	Investigation completed	The investigation revealed that the officials from the Department of Health did not follow the correct Supply Chain Management process for the additional office space accommodation at 11 Diagonal Street. Letter of condonement to be submitted to the Accounting Officer for approval.	Not applicable	
20			Investigation into allegation of irregular expenditure (Lalle Capital)	Investigation completed	Letter of condonement to be submitted to the Accounting Officer for approval.	Not applicable	



Resolution No.	Subject	Details	Response by the department				Resolved (Yes/No)
			Investigation completed	Allegations were not substantiated.	Not applicable	Not applicable	
21			Investigation into allegations regarding the validity of the salary upgrades of the Director and Deputy Director in Human Resources Development Directorate				
22			Investigation into misuse and stolen gg-vehicle at Tshwane Region (Mr. Ben Mahomed) GGX 554 G, GGN 847 G, GGP 387 G	Not applicable.	By end of July 2021		
23			Investigation into stolen gg-vehicle at Tshwane Region (Mr. Makhado) GGX 551 G	Employee was served with 16 April 2021.	Not applicable		
24			Investigation into allegation of fraud by employee who absconded from work since 2015 to date and is getting paid monthly	The Public Service Commission (PSC) investigated the matter. The PSC recommended that disciplinary action be taken against the official who did not handle the matter properly. The implicated official has since left the Department.	Not applicable		

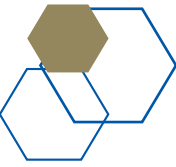


Resolution No.	Subject	Details	Response by the department				Resolved (Yes/No)
				Investigation completed			
25		Investigation into misuse of gg-vehicle at Tshwane Region (Mr. C Makhudu) GGX 549 G			Disciplinary instituted against the official. Disciplinary hearing is set for 13 April 2021. Hearing postponed to 10 and 11 May 2021.	Not applicable	Yes
26		Investigation into allegations involving an official who issued a fraudulent letter which granted permission to Apostolic Church to utilize a land belonging to the State Office			Matter referred to Labour Relations. Disciplinary action instituted against the official. Employee dismissed. Employee appealed – awaiting appeal outcome.	Not applicable	
27		Investigation into allegation on misuse of gg- vehicle bearing registration no. GGN 870 G at Westhoven Regional Office			No official was found to have transgressed the policy. Regional Head must, in writing, transport officer as per the Government Transport Handbook.	Not applicable	
28		Investigation into allegation on misuse of gg- vehicle bearing registration no. GGX 555 G at Tulisa Park Regional Hub		Investigation in progress	Pending.	By end of July 2021	

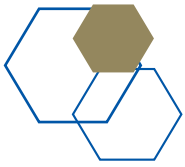


Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
11	Reporting period	The Departments must submit its audit action plans indicating the following: Each area of finding by the AGSA in the 2019/20 financial year; plan by the Department to address the area of finding; timeframe, and progress of implementation as at 31 March 2021. The Department must thereafter submit quarterly progress on the implementation of the audit action plans for 2020/21 until 30 October 2021.	The Department developed Audit Action Plans to address audit findings identified during the audit. Refer to the attached Audit Action Plans "Annexure B".	Yes

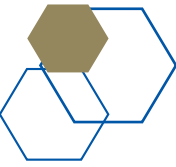
Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
RESOLUTIONS TO REPORTS REQUIRED BY SCOPA TO ENABLE ITS IN-YEAR OVERSIGHT IN COMPLIANCE WITH RULE 178(1)(A) OF GAUTENG PROVINCIAL LEGISLATURE				
1 1.1	Unauthorised expenditure	Provide the details of the total amount of unauthorised expenditure as at the 31 March 2020 as reported by the AGSA. For each amount indicate to what it relates.	There is no unauthorised expenditure that was incurred by the Department as at 31 March 2020.	Yes
1.2		Provide the details of new unauthorised expenditure incurred in the 2020/21 financial year, as identified by the department and reported to Gauteng Provincial Treasury. For each amount indicate to what it relates.	There is no new unauthorised expenditure that was incurred in the 2020/21 financial year.	
1.3		Provide details of actions taken in the 2020/21 financial year to investigate and condone/write-off unauthorised expenditure. For each amount provide the outcomes of the investigation, the recommendation made, and progress in the implementation of the recommendation.	There is no new unauthorised expenditure that was incurred in the 2020/21 financial year.	
1.4		Provide the total balance of unauthorised expenditure as at the 31 March 2021. (The Committee is aware that this figure might change pending the finalisation of the audit by the AGSA). For each amount indicate the year in which it was incurred and the reasons why it has not been investigated and condoned/ written-off.	There is no new unauthorised expenditure that was incurred in the 2020/21 financial year.	



Resolution No.	Subject	Details	Response by the department					Resolved (Yes/No)
2. 2.1	Fruitless and Wasteful expenditure	Provide the details of the total amount of fruitless & wasteful expenditure as at the 31 March 2020 as reported by the AGSA. For each amount indicate to what it relates.	Below please find detail listing of fruitless and wasteful expenditure as at 31 March 2021.					Yes
			Invoice / Payment Date	Invoice / Payment Number	Supplier /Service Provider	Amount of Interest charged	Details of the F&W	
			11-Apr-11	2573547	City of Johannesburg	366.93	Municipal charges	
			11-Apr-19	2573548	City of Johannesburg	199.81	Municipal charges	
			11-Apr-19	2573549	City of Johannesburg	144.22	Municipal charges	
			11-Apr-19	2573550	City of Johannesburg	58.86	Municipal charges	
			11-Apr-19	2573551	City of Johannesburg	32.98	Municipal charges	
			11-Apr-19	2573555	City of Johannesburg	2,296.66	Municipal charges	
			11-Apr-19	2573556	City of Johannesburg	372.92	Municipal charges	
			11-Apr-19	2574059	City of Johannesburg	671.87	Municipal charges	
			11-Apr-19	2574060	City of Johannesburg	58.67	Municipal charges	
			30-Apr-19	GJ23526	Telkom	18,292.79	Telephone charges	
			4-Jun-19	2588077	City of Johannesburg	6.20	Municipal charges	
			4-Jun-19	2588078	City of Johannesburg	6.20	Municipal charges	
			4-Jun-19	2588082	City of Johannesburg	1,202.51	Municipal charges	
			4-Jun-19	2588083	City of Johannesburg	187.16	Municipal charges	
			4-Jun-19	2588084	City of Johannesburg	114.19	Municipal charges	
			4-Jun-19	2588085	City of Johannesburg	93.38	Municipal charges	
			4-Jun-19	2588086	City of Johannesburg	26.75	Municipal charges	
			4-Jun-19	2588087	City of Johannesburg	133.46	Municipal charges	
			4-Jun-19	2588088	City of Johannesburg	258.76	Municipal charges	

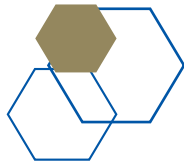


Resolution No.	Subject	Details	Response by the department					Resolved (Yes/No)	
			4-Jun-19	2588089	City of Johannesburg	276.46	Municipal charges		
			4-Jun-19	2588090	City of Johannesburg	441.68	Municipal charges		
			4-Jun-19	2588091	City of Johannesburg	514.55	Municipal charges		
			4-Jun-19	2588095	City of Johannesburg	46.93	Municipal charges		
			4-Jun-19	2588096	City of Johannesburg	132.46	Municipal charges		
			9-Jul-19	2594919	City of Johannesburg	636.11	Municipal charges		
			9-Jul-19	2595124	City of Johannesburg	32.01	Municipal charges		
			9-Jul-19	2595125	City of Johannesburg	455.09	Municipal charges		
			31-Jul-19	GJ10036	Telkom	16,615.50	Telephone charges		
			6-Aug-19	2601277	City of Johannesburg	86.11	Municipal charges		
			6-Aug-19	2601278	City of Johannesburg	120.71	Municipal charges		
			6-Aug-19	2601279	City of Johannesburg	220.75	Municipal charges		
			6-Aug-19	2601280	City of Johannesburg	273.18	Municipal charges		
			28-Aug-19	2607811	City of Johannesburg	84.90	Municipal charges		
			11-Sep-19	2608605	Ekurhuleni Metro Municipality	297.49	Municipal charges		
				9-Oct-19	2615402	City of Johannesburg	3.01	Municipal charges	
				9-Oct-19	2615408	City of Johannesburg	189.74	Municipal charges	
				9-Oct-19	2615409	City of Johannesburg	191.89	Municipal charges	
				9-Oct-19	2615410	City of Johannesburg	377.25	Municipal charges	
				9-Oct-19	2615411	City of Johannesburg	1,021.42	Municipal charges	
				9-Oct-19	2615420	Ekurhuleni Metro Municipality	299.70	Municipal charges	
				23-Oct-19	2621474	City of Johannesburg	190.59	Municipal charges	
				23-Oct-19	2621482	City of Johannesburg	28.72	Municipal charges	

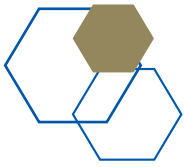


Resolution No.	Subject	Details	Response by the department					Resolved (Yes/No)
			23-Oct-19	2621483	City of Johannesburg	475.07	Municipal charges	
			5-Nov-19	2621988	Ekurhuleni Metro Municipality	995.04	Municipal charges	
			5-Nov-19	2621990	City of Johannesburg	14.10	Municipal charges	
			21-Nov-19	2626396	City of Johannesburg	38.90	Municipal charges	
			21-Nov-19	2626397	City of Johannesburg	144.30	Municipal charges	
			21-Nov-19	2626398	City of Johannesburg	190.59	Municipal charges	
			21-Nov-19	2626399	City of Johannesburg	701.02	Municipal charges	
			21-Nov-19	2626404	City of Johannesburg	2.88	Municipal charges	
			21-Nov-19	2626405	City of Johannesburg	23.86	Municipal charges	
			9-Dec-19	2628956	City of Johannesburg	288.79	Municipal charges	
			15-Jan-20	2635141	City of Johannesburg	109.66	Municipal charges	
			15-Jan-20	2635142	City of Johannesburg	376.90	Municipal charges	
			15-Jan-20	2635143	City of Johannesburg	565.27	Municipal charges	
			15-Jan-20	2635144	City of Johannesburg	165.15	Municipal charges	
			28-Jan-20	2641042	Ekurhuleni Metro Municipality	292.40	Municipal charges	
			4-Feb-20	2641551	Ekurhuleni Metro Municipality	649.80	Municipal charges	
			4-Mar-20	2648312	City of Johannesburg	419.89	Municipal charges	
			4-Mar-20	2648313	City of Johannesburg	504.83	Municipal charges	
			4-Mar-20	2648314	City of Johannesburg	624.91	Municipal charges	
			4-Mar-20	2648315	City of Johannesburg	631.74	Municipal charges	
			4-Mar-20	2648316	City of Johannesburg	737.64	Municipal charges	

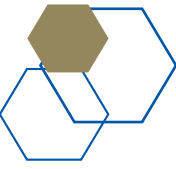
Resolution No.	Subject	Details	Response by the department					Resolved (Yes/No)
			4-Mar-20	2648317	City of Johannesburg	4.15	Municipal charges	
			4-Mar-20	2648318	City of Johannesburg	8.97	Municipal charges	
			4-Mar-20	2648319	City of Johannesburg	190.36	Municipal charges	
			4-Mar-20	2648320	City of Johannesburg	201.84	Municipal charges	
			4-Mar-20	2648321	City of Johannesburg	402.39	Municipal charges	
			4-Mar-20	2648326	City of Johannesburg	2,092.39	Municipal charges	
			6-Mar-20	2648444	City of Johannesburg	20.70	Municipal charges	
			6-Mar-20	2648445	City of Johannesburg	12.21	Municipal charges	
			6-Mar-20	2648446	City of Johannesburg	29.09	Municipal charges	
			6-Mar-20	2648447	City of Johannesburg	35.72	Municipal charges	
			6-Mar-20	2648448	City of Johannesburg	149.68	Municipal charges	
			6-Mar-20	2648479	City of Johannesburg	43.11	Municipal charges	
			6-Mar-20	2648480	City of Johannesburg	120.25	Municipal charges	
			13-Mar-20	2651992	City of Johannesburg		Municipal charges	
				TOTAL			58,361.69	
				Invoice / Payment Date	Invoice / Payment Number	Supplier /Service Provider	Interest/ Penalty	Details of the F&W
				2-Jun-20	2656668	CITY OF JOHANNESBURG MUNICIPALITY	182.71	Municipal charges
				1-Jul-20	2657151	EKURHULENI METRO MUNICIPALITY	513.85	Municipal charges
				7-Oct-20	2660606	CITY OF JOHANNESBURG MUNICIPALITY	25.80	Municipal charges
				26-Mar-21	2670724	EKURHULENI METRO MUNICIPALITY	227.44	Municipal charges
				26-Mar-21	2670733	EKURHULENI METRO MUNICIPALITY	50.80	Municipal charges
				1-Feb-18		Shatsane	9,622,075.80	Outcome of Forensic Investigation Report
						Total	9,623,076.40	



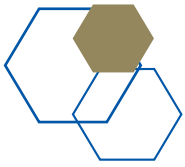
Resolution No.	Subject	Details	Response by the department					Resolved (Yes/No)
2.2		Provide the details of new fruitless & wasteful expenditure incurred in the 2020/21 financial year, as identified by the department and reported to Gauteng Provincial Treasury. For each amount indicate to what it relates.	Below please find detail listing of fruitless and wasteful expenditure as at 31 March 2021.					
			Invoice /Payment Date	Invoice / Payment Number	Supplier /Service Provider	Interest/Penalty	Details of the F&W	
			2-Jun-20	2656668	CITY OF JOHANNESBURG MUNICIPALITY	182.71	Municipal charges	
			1-Jul-20	2657151	EKURHULENI METRO MUNICIPALITY	513.85	Municipal charges	
			7-Oct-20	2660606	CITY OF JOHANNESBURG MUNICIPALITY	25.80	Municipal charges	
			26-Mar-21	2670724	EKURHULENI METRO MUNICIPALITY	227.44	Municipal charges	
			26-Mar-21	2670733	EKURHULENI METRO MUNICIPALITY	50.80	Municipal charges	
			1-Feb-18		Shatsane	9,622,075.80	Outcome of Forensic Investigation Report	
					Total	9,623,076.40		



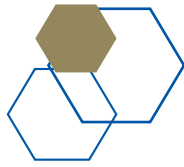
Resolution No.	Subject	Details	Response by the department							Resolved (Yes/No)
2.3		Provide details of actions taken in the 2020/21 financial year to investigate and condone/write-off fruitless & wasteful expenditure. For each amount provide the outcomes of the investigation, the recommendation made, progress in the implementation of the recommendation	Below please find detail listing of fruitless and wasteful expenditure as at 31 March 2021.							
			Invoice / Payment Date	Invoice / Payment Number	Supplier /Service Provider	Interest Penalty	Details of the F&W	Investigation	Condonation	
			2-Jun-20	2656668	CITY OF JOHANNESBURG MUNICIPALITY	182.71	Municipal charges	Completed	Completed	
			1-Jul-20	2657151	EKURHULENI METRO MUNICIPALITY	513.85	Municipal charges	Completed	Completed	
			7-Oct-20	2660606	CITY OF JOHANNESBURG MUNICIPALITY	25.80	Municipal charges	Completed	Completed	
			26-Mar-21	2670724	EKURHULENI METRO MUNICIPALITY	227.44	Municipal charges	Completed	Completed	
			26-Mar-21	2670733	EKURHULENI METRO MUNICIPALITY	50.80	Municipal charges	Completed	Completed	
			1-Feb-18		Shatsane	9,622,075.80	Outcome of Forensic Investigation Report	Completed	To be conducted in the current year	
					Total	9,623,076.40				
			Outcome of the investigation • Delays in receiving the invoices from municipalities. • The interest was caused by cash flow challenges within the Department and as a result municipality charged interest on the overdue accounts. • Fruitless and wasteful expenditure did not arise because of negligence by any official working for the Department. • No officials were found to have transgressed applicable rules and regulations or any other prescripts such as the PFMA (1999, as amended) and Treasury which resulted in interest being accrued from late payments of the various municipalities accounts							



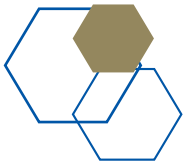
Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)																								
			Recommendation made • Municipalities to submit their invoices on time. • Municipalities to ensure that payments made to them are allocated on time to prevent the DID from paying interest. • Cash flow challenges to be resolved by the DID regarding delays in payments. • The amount of the fruitless and wasteful expenditure to be disclosed as note in the Annual Financial Statements. • In accordance with the guidelines on fruitless and wasteful expenditure as provided by the Office of the Accountant-General, the Accounting Officer must write-off the fruitless and wasteful expenditure amounting to R1000.60																									
			Progress in the implementation of the recommendation																									
			<table><tr><th>Recommendation</th><th>Progress in the implementation of the recommendation</th></tr><tr><td>Municipalities to submit their invoices on time.</td><td>Invoices are submitted on time by municipalities hence no interest was charged or paid as at 31 May 2021.</td></tr><tr><td>Municipalities to ensure that payments made to them are allocated on time to prevent the DID from paying interest.</td><td>Municipalities' invoices were paid on time.</td></tr><tr><td>Cash flow challenges to be resolved by the DID regarding delays in payments.</td><td>Funds for municipalities are ring-fenced</td></tr><tr><td>The amount of the fruitless and wasteful expenditure to be disclosed as note in the Annual Financial Statements.</td><td><table><tr><th>Description</th><th>Amount R'000 31 March 2021</th></tr><tr><td>Opening</td><td>-</td></tr><tr><td>Fruitless and wasteful: Relating to prior year</td><td>-</td></tr><tr><td>Fruitless and wasteful: Relating to current year</td><td>9,623</td></tr><tr><td>Amount resolved</td><td>-1</td></tr><tr><td>Total</td><td>9,622</td></tr></table></td></tr><tr><td>In accordance with the guidelines on fruitless and wasteful expenditure as provided by the Office of the Accountant-General, the Accounting Officer must write-off the fruitless and wasteful expenditure amounting to R1000.60,</td><td>Condonation for R9,622,075.80 in relation to Shatsane will be conducted in 2021/22.</td></tr></table>	Recommendation	Progress in the implementation of the recommendation	Municipalities to submit their invoices on time.	Invoices are submitted on time by municipalities hence no interest was charged or paid as at 31 May 2021.	Municipalities to ensure that payments made to them are allocated on time to prevent the DID from paying interest.	Municipalities' invoices were paid on time.	Cash flow challenges to be resolved by the DID regarding delays in payments.	Funds for municipalities are ring-fenced	The amount of the fruitless and wasteful expenditure to be disclosed as note in the Annual Financial Statements.	<table><tr><th>Description</th><th>Amount R'000 31 March 2021</th></tr><tr><td>Opening</td><td>-</td></tr><tr><td>Fruitless and wasteful: Relating to prior year</td><td>-</td></tr><tr><td>Fruitless and wasteful: Relating to current year</td><td>9,623</td></tr><tr><td>Amount resolved</td><td>-1</td></tr><tr><td>Total</td><td>9,622</td></tr></table>	Description	Amount R'000 31 March 2021	Opening	-	Fruitless and wasteful: Relating to prior year	-	Fruitless and wasteful: Relating to current year	9,623	Amount resolved	-1	Total	9,622	In accordance with the guidelines on fruitless and wasteful expenditure as provided by the Office of the Accountant-General, the Accounting Officer must write-off the fruitless and wasteful expenditure amounting to R1000.60,	Condonation for R9,622,075.80 in relation to Shatsane will be conducted in 2021/22.	
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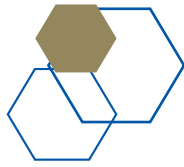
Resolution No.	Subject	Details	Response by the department							Resolved (Yes/No)
2.4		Provide the total balance of fruitless & wasteful expenditure as at the 31 March 2021. (The Committee is aware that this figure might change pending the finalization of the audit by the AGSA). For each amount indicate the year in which it was incurred and the reasons why it has not been investigated and condoned/written-off.	Below please find detail listing of fruitless and wasteful expenditure as at 31 March 2021.							
			Invoice / Payment Date	Invoice / Payment Number	Supplier /Service Provider	Interest / Penalty	Details of the F&W	Investigation	Condonation	
			1-Feb-18		Shatsane	9,622,075.80	Outcome of Forensic Investigation Report	Completed	Condonation letter has been prepared for submission to the HOD.	
					Total	9,623,076.40				
3	Irregular expenditure	Provide the details of the total amount of irregular expenditure as at the 31 March 2020 as reported by the AGSA. For each amount indicate to what it relates.	Invoice / Payment Date	Invoice / Payment Number	Supplier /Service Provider	Amount	Details of the irregular expenditure/Incident			
3.1	Irregular expenditure		Multiple invoices		Interpark	468,193.68	Month- to-month contract 131 Commissioner Lease agreement - Parking			
			Multiple invoices		Stabus tours	428,450.00	SCM processes not followed			
			Multiple invoices		Zuloo holdings	422,440.00	SCM processes not followed			
			Multiple invoices		Freeway buses	236,800.00	SCM processes not followed			
			Multiple invoices	01403037	BA and DJ Cleaning & Security Services	5,947,780.50	Month-to-month contract			
			Multiple invoices	01407707	BIYForce Security and Cleaning Services	6,351,880.78	Month-to-month contract			
			Multiple invoices	01407647	Fela Xonho Project (PTY) Ltd	9,357,210.95	Month-to-month contract			
			Multiple invoices	01403099	Re Kaofela Trading and Projects	3,040,419.50	Month-to-month contract			
			Multiple invoices	01403063	Mr Popo Protection Services	728,446.45	Month-to-month contract			
			Multiple invoices	01403093	Step Up Security an Investigation	1,058,981.07	Month-to-month contract			
			Multiple invoices	01403085	Top Six Trading cc	9,301,500.19	Month-to-month contract			
			Multiple invoices	01407698	T N D Risk Management	4,597,474.69	Month-to-month contract			



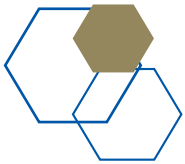
Resolution No.	Subject	Details	Response by the department				Resolved (Yes/No)
		Multiple invoices	01403050	Sidas Security Guards (PTY) Ltd	442,053.81	Month-to-month contract	
		Multiple invoices	01403045	Young Sisters Security Services	4,041,463.62	Month-to-month contract	
		Multiple invoices	0147611	Marshall Nights Security Services	3,062,344.32	Month-to-month contract	
		Multiple invoices	01403120	Mookodi Business Enterprise	7,374,586.07	Month-to-month contract	
		Multiple invoices		Mjayeli security	4,297,413.93	Month-to-month contract	
		Multiple invoices		Circle seven trading 26 cc	3,696,237.63	Month-to-month contract	
		Multiple invoices		Maraba security services cc	1,997,682.28	Month-to-month contract	
		Multiple invoices		Kyasa project management	4,236,054.21	Month-to-month contract	
		Multiple invoices		Kidoo general enterprise	5,813,589.84	Month-to-month contract	
		Multiple invoices		Long live projects	6,140,682.68	Month-to-month contract	
		Multiple invoices		Mapengo security and cleaning	12,650,969.65	Month-to-month contract	
		Multiple invoices		Impisi security services cc	898,152.42	Month-to-month contract	
		Multiple invoices		Candela Africa	9,594.22	SCM processes not followed	
		Multiple invoices		Lumacon(Nzwalo Investments)	5,726,951.40	Overspending on projects	
		Multiple invoices		MEKAN ENGINEERING SERVICES	667,507.44	Overspending on projects	
		Multiple invoices		Sebushi Somo Construction	2,524,887.91	Overspending on projects	
		Multiple invoices		ZYLEC INVESTMENTS	1,641,471.63	Overspending on projects	
					107,161,220.88		



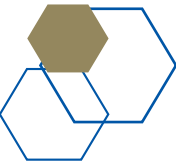
Resolution No.	Subject	Details	Response by the department					Resolved (Yes/No)
3.2		Provide the details of new irregular expenditure incurred in the 2020/21 financial year, as identified by the Department and reported to Gauteng Provincial Treasury. For each amount indicate to what it relates.	Below please find detail listing of irregular expenditure as at 31 March 2021.					
			Invoice / Payment Date	Invoice / Payment Number	Supplier /Service Provider	Amount	Details of the irregular expenditure/Incident	
			Multiple invoices		BA and DJ Cleaning & Security Services	2,337,133.89	Month-to-month contract	
			Multiple invoices		BIYForce Security and Cleaning Services	1,033,038.87	Month-to-month contract	
			Multiple invoices		Fela Xonho Project (PTY) Ltd	1,783,307.13	Month-to-month contract	
			Multiple invoices		Re Kaofela Trading and Projects	467,757.00	Month-to-month contract	
			Multiple invoices		Mr Popo Protection Services	112,068.70	Month-to-month contract	
			Multiple invoices		Step Up Security and Investigation	162,920.46	Month-to-month contract	
			Multiple invoices		Top Six Trading cc	1,631,227.30	Month-to-month contract	
			Multiple invoices		T N D Risk Management	1,316,015.05	Month-to-month contract	
			Multiple invoices		Young Sisters Security Services	816,395.97	Month-to-month contract	
			Multiple invoices		Mookodi Business Enterprise	2,094,646.10	Month-to-month contract	
			Multiple invoices		Miyayeli security	1,024,832.01	Month-to-month contract	



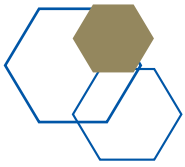
Resolution No.	Subject	Details	Response by the department				Resolved (Yes/No)
		Multiple invoices		Circle seven trading 26 cc	471,860.20	Month-to-month contract	
		Multiple invoices		Kyasa project management	550,503.52	Month-to-month contract	
		Multiple invoices		Kidoo general enterprise	936,624.49	Month-to-month contract	
		Multiple invoices		Long live projects	990,071.52	Month-to-month contract	
		Multiple invoices		Mapengo security and cleaning	10,821,949.35	Month-to-month contract	
		Multiple invoices		7 YOUNG SISTERS SECURITY AND PRO	789,601.86	Month-to-month contract	
		Multiple invoices		ACTION SOUND TRADING AND PROJECT	3,873,269.00	Three quotations	
		Multiple invoices		AKANI CORPORATE SOLUTIONS	2,499,860.72	Three quotations	
		Multiple invoices		ALUFAKWA PROTECTION	600,667.96	Three quotations	
		Multiple invoices		ANEL SECURITY	489,272.72	Three quotations	
		Multiple invoices		BOHLE REKAKGONA TRADING ENTERPRI	460,920.00	Three quotations	
		Multiple invoices		BOPHANGEMPELA ARMED REACTION	405,205.00	Three quotations	
		Multiple invoices		BOSTAN HOLDING	73,150.00	Three quotations	



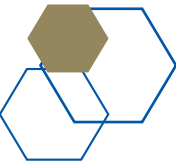
Resolution No.	Subject	Details	Response by the department				Resolved (Yes/No)
		Multiple invoices		BOTH BEST TRADING AND PROJECTS	744,046.35	Three quotations	
		Multiple invoices		BRACE SECURITY GROUP	1,894,233.00	Three quotations	
		Multiple invoices		BRIDGING THE GAP TRADING ENTERPR	1,790,220.00	Three quotations	
		Multiple invoices		CALVARY ENTERPRISE	504,275.00	Three quotations	
		Multiple invoices		CARDURA TRADING ENTERPRISE	301,674.75	Three quotations	
		Multiple invoices		CAREWELL EMERGENCIES AMBULANCE	532,910.00	Three quotations	
		Multiple invoices		CRASH DOWN SECURITY SERVICES	423,413.30	Three quotations	
		Multiple invoices		DIAMOND TOWERS	463,680.00	Three quotations	
		Multiple invoices		DLOZI MAN TRADING ENTERPRISE	748,459.56	Three quotations	
		Multiple invoices		DUDWANA BUSINESS ENTERPRISE CC	457,848.96	Three quotations	
		Multiple invoices		ELI SECURITY SERVICES	546,000.00	Three quotations	
		Multiple invoices		ELPHASH TRADING ENTERPRISE	485,106.96	Three quotations	
		Multiple invoices		ENSEMBLE TRADING 2366	209,967.00	Three quotations	
		Multiple invoices		ES POWER EVENTS SECURITY SERVICE	320,770.02	Three quotations	
		Multiple invoices		ETN TRADING ENTERPRISE	441,600.00	Three quotations	
		Multiple invoices		FALALANG CONSTRUCTION AND PROJEC	128,080.00	Three quotations	



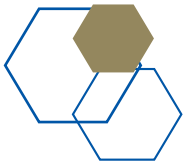
Resolution No.	Subject	Details	Response by the department			Resolved (Yes/No)
		Multiple invoices		GREEN OCEAN SECURITY	265,000.00	Three quotations
		Multiple invoices		GREENHAWK SECURITY SOLUTION	1,016,949.60	Three quotations
		Multiple invoices		HARD ACT SECURITY	647,852.40	Three quotations
		Multiple invoices		HOPE SECURITY CC	145,659.00	Three quotations
		Multiple invoices		IFA LAKWA MTHETHWA SHUTTLE AND P	395,094.00	Three quotations
		Multiple invoices		INGWENYA BREEZE INVESTMENTS	706,502.98	Three quotations
		Multiple invoices		JKM SOLUTIONS	363,564.72	Three quotations
		Multiple invoices		KE NNA MALOBISE SECURITY AND PRO	986,787.66	Three quotations
		Multiple invoices		KGOSI-MONENE GENERAL SERVICE	141,367.20	Three quotations
		Multiple invoices		KGOTSO MOKONE TRADERS	468,027.00	Three quotations
		Multiple invoices		KHANVICTOR SECURITY AND CLEANIN	391,920.00	Three quotations
		Multiple invoices		KHARIFARISANE SECURITY AND PROJE	456,000.00	Three quotations
		Multiple invoices		KONATENDO TRADING AND PROJECTS	669,674.48	Three quotations
		Multiple invoices		L SECURITY	307,459.06	Three quotations
		Multiple invoices		LEMUR RISK SOLUTIONS	1,149,950.00	Three quotations



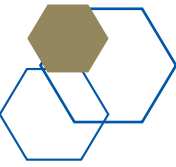
Resolution No.	Subject	Details	Response by the department				Resolved (Yes/No)
		Multiple invoices		LIONESS SECURITY AND PROJECTS	1,376,799.88	Three quotations	
		Multiple invoices		LSN SECURITY SERVICES	325,080.00	Three quotations	
		Multiple invoices		LUPENYO SECURITY SERVICES	100,339.00	Three quotations	
		Multiple invoices		M X O CRIME REDUCTION UNIT	603,140.00	Three quotations	
		Multiple invoices		MABERET PROTECTION SERVICE	1,259,033.00	Three quotations	
		Multiple invoices					
		Multiple invoices		MAFAHLA GROUP	449,052.00	Three quotations	
		Multiple invoices		MAFOKO SECURITY PATROLS	863,727.05	Three quotations	
		Multiple invoices		MAGIC ENGINEERS	1,139,380.00	Three quotations	
		Multiple invoices		MAHLATJI MMETJII CLEANING AND SEC	216,184.50	Three quotations	
		Multiple invoices		MAILE CONSULTING	824,028.52	Three quotations	
		Multiple invoices		MAKGOBATHE SECURITY SERVICES	259,840.00	Three quotations	
		Multiple invoices		MA-NXASANA SECURITY AND CLEANING	390,480.00	Three quotations	
		Multiple invoices		MAVEE SECURITY	290,628.00	Three quotations	
		Multiple invoices		MEHLO ENQUQUHULU RISK MANAGEMENT	309,120.00	Three quotations	
		Multiple invoices		MENKO TRADING	272,533.32	Three quotations	
		Multiple invoices		MOGALE PROTECTION SERVICES	299,680.00	Three quotations	



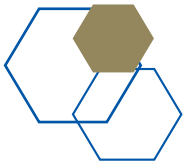
Resolution No.	Subject	Details	Response by the department			Resolved (Yes/No)
		Multiple invoices	MOLWANTWA TRADING CONSTRUCTION	474,600.00	Three quotations	
		Multiple invoices	MOSEBO PROTECTION SERVICES	386,400.00	Three quotations	
		Multiple invoices	MOTSIPI GENERAL PROJECTS	273,700.00	Three quotations	
		Multiple invoices	MST HOLDINGS	268,277.70	Three quotations	
		Multiple invoices	MTHANDAFLE SECURITY AND PROJECT	2,770,744.00	Three quotations	
		Multiple invoices	MUSHOMA SECURITY SERVICES AND PR	601,200.00	Three quotations	
		Multiple invoices	MVELAMASWAZI TRADING	1,074,560.00	Three quotations	
		Multiple invoices	N AND C CIVILS	405,720.00	Three quotations	
		Multiple invoices	NTSHITLI HOLDINGS	815,753.36	Three quotations	
		Multiple invoices	NTSIZWAS SECURITY SERVICES	429,870.00	Three quotations	
		Multiple invoices	NU-AGE SECURITY AND PROJECTS CC	375,900.00	Three quotations	
		Multiple invoices	OFETHABO SECURITY	375,501.60	Three quotations	
		Multiple invoices	PCP PETHA GROUP SA	1,247,543.61	Three quotations	
		Multiple invoices	POLLY CAT SECURITY	570,400.00	Three quotations	
		Multiple invoices	RAMALEPE SECURITY AND CLEANING S	408,618.00	Three quotations	



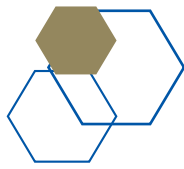
Resolution No.	Subject	Details	Response by the department				Resolved (Yes/No)
		Multiple invoices		RAMAZWI SECURITY SERVICES AND TR	437,879.94	Three quotations	
		Multiple invoices		RAMS FIRE SECURITY AND CLEANING	449,077.02	Three quotations	
		Multiple invoices		SAFERIGHT GROUP	211,200.00	Three quotations	
		Multiple invoices		SCHEME SECURITY SERVICES	841,966.00	Three quotations	
		Multiple invoices		SEHLUKENE SECURITY AND CLEANING	449,065.80	Three quotations	
		Multiple invoices		SELKIRK SECURITY SERVICES	66,930.00	Three quotations	
		Multiple invoices		SEMO TECHNOLOGIES	19,490.00	Three quotations	
		Multiple invoices		SESHUANENG WATER PROJECT	340,000.00	Three quotations	
		Multiple invoices		SIVA SECURITY SERVICES	427,800.00	Three quotations	
		Multiple invoices		SM KHULA TRADING ENTERPRISE	291,180.00	Three quotations	
		Multiple invoices		SNIPER SECURITY	283,636.00	Three quotations	
		Multiple invoices		SOTHEMBELA SECURITY SERVICES AND	394,104.27	Three quotations	
		Multiple invoices		TARIOFUSION	651,765.60	Three quotations	
		Multiple invoices		THABABONTLE TRADING ENTERPRISE A	402,546.00	Three quotations	



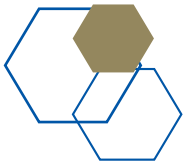
Resolution No.	Subject	Details	Response by the department				Resolved (Yes/No)
		Multiple invoices	TRUST ONE GUARD SECURITY SERVICE	628,988.00	Three quotations		
		Multiple invoices	TSHWARELLA KA THATA TRADING AND	827,400.00	Three quotations		
		Multiple invoices	TSTRELEDZO CLEANING AND SECURITY	443,080.00	Three quotations		
		Multiple invoices	ULTIMATE SECURITY AND BODYGUARD	356,600.00	Three quotations		
		Multiple invoices	UNIVERSAL SOLDIERS TRADING AND P	394,080.00	Three quotations		
		Multiple invoices	VALLEY TRAINING ACADEMY	239,200.00	Three quotations		
		Multiple invoices	VICONE PROTECTION SERVICES	200,790.00	Three quotations		
		Multiple invoices	WANGANAE TRADING ENTERPRISE	386,880.00	Three quotations		
		Multiple invoices	SOLBETH PROTECTION SERVICES	429,945.90	Three quotations		
		Multiple invoices	TOP TEN CATERING AND SECURITY CC	546,500.00	Three quotations		
		Multiple invoices	YATSHAMA IT AND STATIONERY	165,750.00	Three quotations		
		Multiple invoices	3 DAUGHTERS TRADING ENTERPRISE	352,590.00	Three quotations		
		Multiple invoices	WE GUARD SECURITY	1,011,536.00	Three quotations		
		Multiple invoices	MSO-000757 Matimba yeru energy	1,015,196.00	SCM processes not followed		
		Multiple invoices	MEKAN ENGINEERING SERVICES	34,191.90	Overspending on the project		



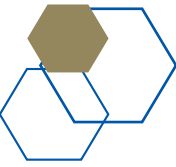
Resolution No.	Subject	Details	Response by the department						Resolved (Yes/No)
			Multiple invoices	GDID001	Bruza consulting	356,314.62	SCM processes not followed		
			Multiple invoices	PSP	Coeng Consulting and Construction Engineering	259,031.72	Overspending on the project		
			Multiple invoices	Cleaning Services	Cleaning Services	4,813,533.12	SCM processes not followed		
			Multiple invoices	Office Accommodation	Turbine Hall and Square	7,283,324.28	SCM processes not followed		
			Multiple invoices	Office Accommodation	Turbine Hall and Square	5,973,506.00	SCM processes not followed		
			Multiple invoices		Total Irregular Expenditure	104,289,303.53			



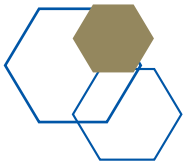
Resolution No.	Subject	Details	Response by the department							Resolved (Yes/No)
3.3		Provide details of actions taken in the 2020/21 financial year to investigate and condone/write-off irregular expenditure. For each amount provide the outcomes of the investigation, the recommendation made, and progress in the implementation of the recommendation.	Invoice / Payment Date	Invoice / Payment Number	Supplier / Service Provider	Amount	Details of the irregular expenditure/ Incident	Investigation	Condonation	
			Multiple invoices		BA and DJ Cleaning & Security Services	2,337,133.89	Month-to-month contract	Ongoing	N/A	
			Multiple invoices		BIForce Security and Cleaning Services	1,033,038.87	Month-to-month contract	Ongoing	N/A	
			Multiple invoices		Fela Xonho Project (PTY) Ltd	1,783,307.13	Month-to-month contract	Ongoing	N/A	
			Multiple invoices		Re Kaofela Trading and Projects	467,757.00	Month-to-month contract	Ongoing	N/A	
			Multiple invoices		Mr Popo Protection Services	112,068.70	Month-to-month contract	Ongoing	N/A	
			Multiple invoices		Step Up Security and Investigation	162,920.46	Month-to-month contract	Ongoing	N/A	
			Multiple invoices		Top Six Trading cc	1,631,227.30	Month-to-month contract	Ongoing	N/A	
			Multiple invoices		T N D Risk Management	1,316,015.05	Month-to-month contract	Ongoing	N/A	
			Multiple invoices		Young Sisters Security Services	816,395.97	Month-to-month contract	Ongoing	N/A	



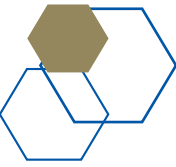
Resolution No.	Subject	Details	Response by the department					Resolved (Yes/No)
			Multiple invoices	Mookodi Business Enterprise	2,094,646.10	Month-to-month contract	Ongoing	N/A
			Multiple invoices	Mjayeli security	1,024,832.01	Month-to-month contract	Ongoing	N/A
			Multiple invoices	Circle seven trading 26 cc	471,860.20	Month-to-month contract	Ongoing	N/A
			Multiple invoices	Kyasa project management	550,503.52	Month-to-month contract	Ongoing	N/A
			Multiple invoices	Kidoo general enterprise	936,624.49	Month-to-month contract	Ongoing	N/A
			Multiple invoices	Long live projects	990,071.52	Month-to-month contract	Ongoing	N/A
			Multiple invoices	Mapengo security and cleaning	10,821,949.35	Month-to-month contract	Ongoing	N/A
			Multiple invoices	7 YOUNG SISTERS SECURITY AND PRO	789,601.86	Three quotations	Ongoing	N/A
			Multiple invoices	ACTION SOUND TRADING AND PROJECT	3,873,269.00	Three quotations	Ongoing	N/A
			Multiple invoices	AKANI CORPORATE SOLUTIONS	2,499,860.72	Three quotations	Ongoing	N/A



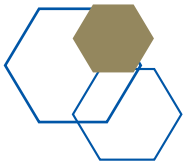
Resolution No.	Subject	Details	Response by the department					Resolved (Yes/No)
		Multiple invoices	ALUFAKWA PROTECTION	600,667.96	Three quotations	Ongoing	N/A	
		Multiple invoices	ANEL SECURITY	489,272.72	Three quotations	Ongoing	N/A	
		Multiple invoices	BOHLE REKAKGONA TRADING ENTERPRI	405,205.00	Three quotations	Ongoing	N/A	
		Multiple invoices	BOPHANGEM-PELA ARMED REACTION AND	73,150.00	Three quotations	Ongoing	N/A	
		Multiple invoices	BOSTAN HOLDING	744,046.35	Three quotations	Ongoing	N/A	
		Multiple invoices	BOTH BEST TRADING AND PROJECTS	1,894,233.00	Three quotations	Ongoing	N/A	
		Multiple invoices	BRACE SECURITY GROUP	1,790,220.00	Three quotations	Ongoing	N/A	
		Multiple invoices	BRIDGING THE GAP TRADING ENTERPR	504,275.00	Three quotations	Ongoing	N/A	
		Multiple invoices	CALVARY ENTERPRISE	301,674.75	Three quotations	Ongoing	N/A	
		Multiple invoices	CARDURA TRADING ENTERPRISE	532,910.00	Three quotations	Ongoing	N/A	



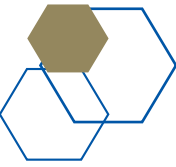
Resolution No.	Subject	Details	Response by the department					Resolved (Yes/No)
			Multiple invoices	CAREWELL EMERGENCIES AMBULANCE	423,413.30	Three quotations	Ongoing	N/A
			Multiple invoices	CRASH DOWN SECURITY SERVICES	463,680.00	Three quotations	Ongoing	N/A
			Multiple invoices	DIAMOND TOWERS	748,459.56	Three quotations	Ongoing	N/A
			Multiple invoices	DLOZI MAN TRADING ENTERPRISE	457,848.96	Three quotations	Ongoing	N/A
			Multiple invoices	DUDWANA BUSINESS ENTERPRISE CC	546,000.00	Three quotations	Ongoing	N/A
			Multiple invoices	ELI SECURITY SERVICES	485,106.96	Three quotations	Ongoing	N/A
			Multiple invoices	ELPHASH TRADING ENTERPRISE	209,967.00	Three quotations	Ongoing	N/A
			Multiple invoices	ENSEMBLE TRADING 2366	320,770.02	Three quotations	Ongoing	N/A
			Multiple invoices	ES POWER EVENTS SECURITY SERVICE	441,600.00	Three quotations	Ongoing	N/A
			Multiple invoices	ETN TRADING ENTERPRISE	128,080.00	Three quotations	Ongoing	N/A
			Multiple invoices	FALALANG CONSTRUCTION AND PROJEC	265,000.00	Three quotations	Ongoing	N/A



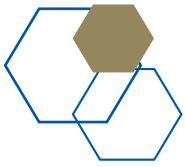
Resolution No.	Subject	Details	Response by the department					Resolved (Yes/No)
		Multiple invoices	GREEN OCEAN SECURITY	1,016,949.60	Three quotations	Ongoing	N/A	
		Multiple invoices	GREENHAWK SECURITY SOLUTION	647,852.40	Three quotations	Ongoing	N/A	
		Multiple invoices	HARD ACT SECURITY	145,659.00	Three quotations	Ongoing	N/A	
		Multiple invoices	HOPE SECURITY CC	395,094.00	Three quotations	Ongoing	N/A	
		Multiple invoices	IFA LAKWA MTHETHWA SHUTTLE AND P	706,502.98	Three quotations	Ongoing	N/A	
		Multiple invoices	INGWENYA BREEZE INVESTMENTS	363,564.72	Three quotations	Ongoing	N/A	
		Multiple invoices	JKM SOLUTIONS	986,787.66	Three quotations	Ongoing	N/A	
		Multiple invoices	KE NNA MALOBISE SECURITY AND PRO	141,367.20	Three quotations	Ongoing	N/A	
		Multiple invoices	KGOSI-MONENE GENERAL SERVICE	468,027.00	Three quotations	Ongoing	N/A	
		Multiple invoices	KGOTSO MOKONE TRADERS	391,920.00	Three quotations	Ongoing	N/A	
		Multiple invoices	KHANIVICTOR SECURITY AND CLEANIN	456,000.00	Three quotations	Ongoing	N/A	



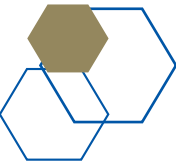
Resolution No.	Subject	Details	Response by the department					Resolved (Yes/No)
		Multiple invoices	KHARI-FARISANE SECURITY AND PROJE	669,674.48	Three quotations	Ongoing	N/A	
		Multiple invoices	KONATENDO TRADING AND PROJECTS	307,459.06	Three quotations	Ongoing	N/A	
		Multiple invoices	L SECURITY	1,149,950.00	Three quotations	Ongoing	N/A	
		Multiple invoices	LEMUR RISK SOLUTIONS	1,376,799.88	Three quotations	Ongoing	N/A	
		Multiple invoices	LIONESS SECURITY AND PROJECTS	325,080.00	Three quotations	Ongoing	N/A	
		Multiple invoices	LSN SECURITY SERVICES	100,339.00	Three quotations	Ongoing	N/A	
		Multiple invoices	LUPENYO SECURITY SERVICES	603,140.00	Three quotations	Ongoing	N/A	
		Multiple invoices	M X O CRIME REDUCTION UNIT	1,259,033.00	Three quotations	Ongoing	N/A	
		Multiple invoices	MABERET PROTECTION SERVICE	449,052.00	Three quotations	Ongoing	N/A	
		Multiple invoices	MAFAHLA GROUP	863,727.05	Three quotations	Ongoing	N/A	



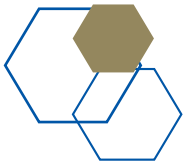
Resolution No.	Subject	Details	Response by the department					Resolved (Yes/No)
			Multiple invoices	MAFOKO SECURITY PATROLS	1,139,380.00	Three quotations	Ongoing	N/A
			Multiple invoices	MAGIC ENGINEERS	216,184.50	Three quotations	Ongoing	N/A
			Multiple invoices	MAHLATJI MMETJI CLEANING AND SEC	824,028.52	Three quotations	Ongoing	N/A
			Multiple invoices	MAILE CONSULTING	259,840.00	Three quotations	Ongoing	N/A
			Multiple invoices	MAKGOBATHI SECURITY SERVICES	390,480.00	Three quotations	Ongoing	N/A
			Multiple invoices	MA-NXASANA SECURITY AND CLEANING	290,628.00	Three quotations	Ongoing	N/A
			Multiple invoices	MAVEE SECURITY	309,120.00	Three quotations	Ongoing	N/A
			Multiple invoices	MEHLO ENQUHULU RISK MANAGEMENT	272,533.32	Three quotations	Ongoing	N/A
			Multiple invoices	MENKO TRADING	299,680.00	Three quotations	Ongoing	N/A
			Multiple invoices	MOGALE PROTECTION SERVICES	474,600.00	Three quotations	Ongoing	N/A
			Multiple invoices	MOLWANT-WA TRADING CONSTRUCTION	386,400.00	Three quotations	Ongoing	N/A
			Multiple invoices	MOSEBO PROTECTION SERVICES	273,700.00	Three quotations	Ongoing	N/A



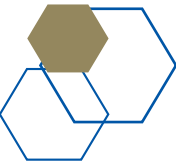
Resolution No.	Subject	Details	Response by the department					Resolved (Yes/No)
		Multiple invoices	MOTSIPI GENERAL PROJECTS	268,277.70	Three quotations	Ongoing	N/A	
		Multiple invoices	MST HOLDINGS	2,770,744.00	Three quotations	Ongoing	N/A	
		Multiple invoices	MTHANDAFILE SECURITY AND PROJECT	601,200.00	Three quotations	Ongoing	N/A	
		Multiple invoices	MUSHOMA SECURITY SERVICES AND PR	1,074,560.00	Three quotations	Ongoing	N/A	
		Multiple invoices	MVE-LAMASWAZI TRADING	405,720.00	Three quotations	Ongoing	N/A	
		Multiple invoices	N AND C CIVILS	815,753.36	Three quotations	Ongoing	N/A	
		Multiple invoices	NTSHITLI HOLDINGS	429,870.00	Three quotations	Ongoing	N/A	
		Multiple invoices	NTSIZWAS SECURITY SERVICES	375,900.00	Three quotations	Ongoing	N/A	
		Multiple invoices	NU-AGE SECURITY AND PROJECTS CC	375,501.60	Three quotations	Ongoing	N/A	
		Multiple invoices	OFETHABO SECURITY	1,247,543.61	Three quotations	Ongoing	N/A	
		Multiple invoices	PCP PETHA GROUP SA	570,400.00	Three quotations	Ongoing	N/A	
		Multiple invoices	POLLY CAT SECURITY	408,618.00	Three quotations	Ongoing	N/A	



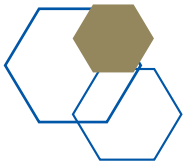
Resolution No.	Subject	Details	Response by the department					Resolved (Yes/No)
		Multiple invoices		RAMALEPE SECURITY AND CLEANING S	437,879.94	Three quotations	Ongoing	N/A
		Multiple invoices		RAMAZWI SECURITY SERVICES AND TR	449,077.02	Three quotations	Ongoing	N/A
		Multiple invoices		RAMS FIRE SECURITY AND CLEANING	211,200.00	Three quotations	Ongoing	N/A
		Multiple invoices		SAFERIGHT GROUP	841,966.00	Three quotations	Ongoing	N/A
		Multiple invoices		SCHEME SECURITY SERVICES	449,065.80	Three quotations	Ongoing	N/A
		Multiple invoices		SEHLUKENE SECURITY AND CLEANING	66,930.00	Three quotations	Ongoing	N/A
		Multiple invoices		SELKIRK SECURITY SERVICES	19,490.00	Three quotations	Ongoing	N/A
		Multiple invoices		SEMO TECH-NOLOGIES	340,000.00	Three quotations	Ongoing	N/A
		Multiple invoices		SESHUANENG WATER PROJECT	427,800.00	Three quotations	Ongoing	N/A
		Multiple invoices		SIVA SECURITY SERVICES	291,180.00	Three quotations	Ongoing	N/A
		Multiple invoices		SM KHULA TRADING ENTERPRISE	283,636.00	Three quotations	Ongoing	N/A



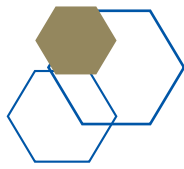
Resolution No.	Subject	Details	Response by the department					Resolved (Yes/No)
			Multiple invoices	SNIPER SECURITY	394,104.27	Three quotations	Ongoing	N/A
			Multiple invoices	SOTHEMBELA SECURITY SERVICES AND	651,765.60	Three quotations	Ongoing	N/A
			Multiple invoices	TARIOFUSION	402,546.00	Three quotations	Ongoing	N/A
			Multiple invoices	THABABON-TLE TRADING ENTERPRISE A	628,988.00	Three quotations	Ongoing	N/A
			Multiple invoices	TRUST ONE GUARD SECURITY SERVICE	827,400.00	Three quotations	Ongoing	N/A
			Multiple invoices	TSHWARELLA KA THATA TRADING AND	443,080.00	Three quotations	Ongoing	N/A
			Multiple invoices	TSTRELEDZO CLEANING AND SECURITY	356,600.00	Three quotations	Ongoing	N/A
			Multiple invoices	ULTIMATE SECURITY AND BODYGUARD	394,080.00	Three quotations	Ongoing	N/A
			Multiple invoices	UNIVERSAL SOLDIERS TRADING AND P	239,200.00	Three quotations	Ongoing	N/A
			Multiple invoices	VALLEY TRAINING ACADEMY	200,790.00	Three quotations	Ongoing	N/A



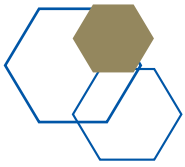
Resolution No.	Subject	Details	Response by the department					Resolved (Yes/No)
			Multiple invoices	VICONE PROTECTION SERVICES	386,880.00	Three quotations	Ongoing	N/A
			Multiple invoices	WANGANAE TRADING ENTERPRISE	429,945.90	Three quotations	Ongoing	N/A
			Multiple invoices	SOLBETH PROTECTION SERVICES	546,500.00	Three quotations	Ongoing	N/A
			Multiple invoices	TOP TEN CATERING AND SECURITY CC	165,750.00	Three quotations	Ongoing	N/A
			Multiple invoices	YATSHAMA IT AND STATIONERY	352,590.00	Three quotations	Ongoing	N/A
			Multiple invoices	3 DAUGHTERS TRADING ENTERPRISE	1,011,536.00	Three quotations	Ongoing	N/A
			Multiple invoices	WE GUARD SECURITY	1,015,196.00	Three quotations	Ongoing	N/A
			Multiple invoices	MSO-000757 Matimba yeru energy	34,191.90	SCM processes not followed	Ongoing	N/A
			Multiple invoices	MEKAN ENGINEERING SERVICES	356,314.62	Overspending on the project	Ongoing	N/A
			Multiple invoices	GDID001 Bruza consulting	259,031.72	SCM processes not followed	Ongoing	N/A
			Multiple invoices	PSP Coeng Consulting and Construction Engineering	4,813,533.12	Overspending on the project	Ongoing	N/A
			Multiple invoices	Cleaning Services	7,283,324.28	SCM processes not followed	Ongoing	N/A



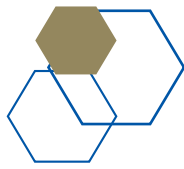
Resolution No.	Subject	Details	Response by the department						Resolved (Yes/No)
			Multiple invoices	Office Accommodation	Turbine Hall and Square	5,973,506.00	SCM processes not followed	Ongoing	N/A
				Office Accommodation	Turbine Hall and Square	104,289,303.53	SCM processes not followed	Ongoing	N/A
					Total Irregular Expenditure				
			Outcome of the investigation Investigation is still ongoing.						
			Recommendation made Investigation is still ongoing.						
			Progress in the implementation of the recommendation Investigation is still ongoing.						



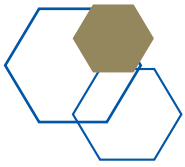
Resolution No.	Subject	Details	Response by the Department						Resolved (Yes/No)
				31/03/2021	Period incurred	Investigation	Condonation		
								Reconciliation of Irregular expenditure	
3.4		Provide the total balance of irregular expenditure as at the 31 March 2021. (The Committee is aware that this figure might change pending the finalisation of the audit by the AGSA). For each amount indicate the year in which it was incurred and the reasons why it has not been investigated and condoned/written-off.	Opening balance	R559,570,000	Opening balance	Completed	Awaiting Treasury approval		
			Add: Irregular expenditure - relating to prior year						
			Add: Irregular expenditure - relating to current year	R104,289,304	Current year	Ongoing	N/A		
			Less: Prior year amounts condoned	-					
			Less: Current year amounts condoned	-					
			Less: Amounts recoverable (not condoned)						
			Less: Amounts not recoverable (not condoned)						
		Irregular expenditure balance	R663,859,304						
4 4.1	Plans to prevent UIF&W expenditure	Where unauthorised expenditure was incurred, please provide details of why the accounting officer did not ensure that effective and appropriate steps were taken to prevent unauthorised expenditure as required by s38(1)(b) of PFMA.	There is no unauthorised expenditure that was incurred by the Department as at 31 March 2020/2021.						



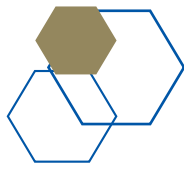
Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
4.2		Submit the plan developed and adopted by the Accounting Officer to prevent unauthorised, irregular and wasteful expenditure and losses resulting from criminal conduct.	Unauthorised Expenditure Finance presents the financial position of the Department every month to the management and any over expenditure is followed up to ensure that the Department does not incur any possible unauthorised expenditure. Fruitless and wasteful expenditure A memo was issued to all staff members stating the following: The current financial delegation policy has been revised as follows: • All interest or expenditure incurred in vain by the Department in relation to late payment or where due care was not exercised before committing will have to be submitted to the HOD in a form of submission for approval. • The submission must clearly state the course for fruitless and wasteful, who is liable and recovery process. • The costs incurred in relation to interest charged due to late or non-payment have reduced drastically compared to prior year due to improvement in paying invoices that related to utilities on time. Irregular Expenditure SCM has issued a circular to all business units explain the processes and procedures that needed to be followed when applying for variation order. Letters of reminders are also forwarded to heads of branches regarding contracts that will be expiring in the next six months to start the procurement process. During the year under review, SCM conducted an in-house training with officials regarding new SCM prescriptions issued by National Treasury. All SCM policies were reviewed and approved before year end.	



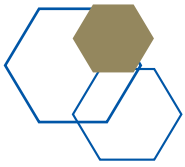
Resolution No.	Subject	Details	Response by the Department							Resolved (Yes/No)
			The 2021/21 APP comprises in its result-chain; Outputs, Indicators and Targets that are aimed at reducing the Unauthorized, Irregular, Fruitless and Wasteful expenditure. On the basis of these predetermined measures and target, the Department develops an Annual Operational Plan (AOP) which describes the activities and budgets for each of the outputs and output indicators in the APP. The department has included the below measures in its 2021/22 APP, and these were further translated to the AOP with monthly activities that will lead to the attainment of the below APP targets.							
4.3		Indicate if the plan in 4.2. is included in the 2021/22 Annual Performance Plan of the department, by extracting that section and presenting it in this report. Where the plan is not included in the 2021/22 APP of the Department, please provide reasons why it is as such.	Table 1: APP Extract Financial Management, Internal Control and SCM							
OUTCOME	OUTPUTS	SUB-PROGRAMME	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
				2017/18	2018/19	2019/20		2021/22	2022/23	2023/24
6. Capable, ethical and developmental organisation	6.1 Financial management and internal controls	Financial Management and SCM	6.1.1. AGSA opinion on the audit of financial statements	-	-	Baseline: Unqualified, with findings	Unqualified, with less recurring findings	Unqualified, with a reduction in recurring findings	Unqualified, with a reduction in recurring findings	Unqualified, with a reduction in recurring findings
			6.1.2. Percentage reduction in prior year fruitless and wasteful expenditure	-	-	New indicator	30% reduction on prior year	30% reduction on prior year	30% reduction on prior year	30% reduction on prior year
			6.1.3. Percentage reduction in prior year accruals (excluding rates and taxes)	-	-	New indicator	10% reduction on prior year	20% reduction on prior year	30% reduction on prior year	40% reduction on prior year
		Financial Management and SCM/ All corporate Services	6.1.4. Percentage reduction in prior year irregular expenditure	-	-	New indicator	30% reduction	30% reduction	30% reduction	30% reduction



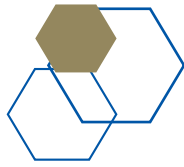
Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
5	House Resolution emanating from SCOPA Oversight Report	Report of progress made in the implementation of the House Resolutions emanating from the oversight report of SCOPA on the Report of the AGSA on the Annual Financial Statement of the department for the period ending 31 March 2020.	Progress on report of AGSA is attached in "Annexure A" i.e. the DID Action Plan.	
6		Report of progress made in the implementation of the Audit Action Plans emanating from the Report of the AGSA on the Annual Financial Statement of the (Department) for the period ending 31 March 2020.	See attached report (Annexure A).	
7	Financials risks	Submit a plan developed and adopted by the Accounting Officer to ensure effective, efficient and transparent system of financial and risk management and internal control as provided by s(38)(1)(a)(i) of PFMA.	The Strategic Risk Assessment report for 2021/22 has been approved by the Accounting Officer and Risk Mitigation plans are monitored on a regular basis and reported to Management and Oversight bodies (Risk Management Committee and Audit Committee) on a quarterly basis for review and advice in ensuring full compliance. Fraud Prevention Plan (Annexure B -Part 1 and Part 2) and The Strategic Risk Report (Annexure C) attached	



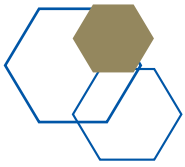
Resolution No.	Subject	Details	Response by the department			Resolved (Yes/No)	
8		Indicate if the plan in 7. Is included in the 2021/22 Annual Performance Plan of the department, by extracting that section and presenting it in this report. Where the plan is not included in the 2021/22 APP of the department, please provide reasons why it is as such.	Section 6 of the DID 21/22 APP identifies risks and mitigation strategies as they relate to the outcomes, outputs and targets in APP, and these are then translated into various risk management plans and registers (strategic, operational, fraud and project).				
			UPDATED KEY RISKS:				
			Outcome	Key Risks	Risk Mitigation		
			1. Optimised public-owned fixed property portfolio	• Failure to structure and adequately resource the property management function. • Lack of private sector partnerships / support to implement precincts projects. • Failure to secure development rights for GPG properties. • Inaccurate IAR, hampering decision making. • Ongoing non-submission of U-AMPs by GPG departments. • Invasions, land grabs and vandalism. • Poor projects, construction and contracts management. • Increasing costs and slow revenue growth.	• Revised, approved and capacitated structure. • PPP processes / partnership agreements. • Regularisation of GPG property. • Processes and resources in place to ensure well maintained, accurate IAR. • Constant engagements with user departments. • Responsiveness, collaboration with Community Safety. • IDMS implementation. • Property optimisation and commercialisation strategy successfully implemented. • Enabler Work Stream(s): • Reform of land and property management delivery model.		
			2. Efficient and effective delivery of smart public infrastructure	• Insufficient funding. • Inadequate capacity / resources to deliver at required rate. • Poor project and quality management processes. • Project disruptions. • Delays in the approval of infrastructure projects.	• Exco approved funding model and plan implemented. • Establish the capacity and capabilities to deliver quality infrastructure on time - skills, tools of trade and systems / processes. • Single point of responsibility in project management value chain implemented, and improved monitoring and accountability mechanisms. • Community involvement, improved communication (consultation). • Project partnerships (consultation, joint planning) and approved GPG project pipeline.		
			Enabler Work Stream(s): • Funding Model. • Infrastructure procurement processes and capabilities. • Fast-track the delivery of large-scale Green Agenda projects.				



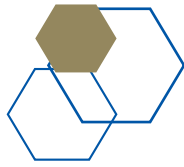
Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)	
		3. Functional, reliable and compliant infrastructure	• Lack of development rights at many GPG facilities - constraint on maintenance refurbishment and renovation projects. • Community disruptions • Safety incident(s), due to non-compliance with the OHS Act (1993) and other legislation. • Non-conducive work environment for staff and customers being serviced. • Ineffective maintenance planning and operating model. • Non-compliance with statutory maintenance schedules.	• Support Property Management with regularisation processes through proactive planning. • Continual engagement and communication with stakeholders. • OHS improvement project resourced and fully implemented, monitored and reported on. • Implementation of maintenance improvement projects - proper planning and resourcing with client departments. • Integrated Facilities and Maintenance Management System. • Hub and Spoke Model of Integrated Facilities Management fully functional and effective in addressing all areas of operations and maintenance related issues. • Appointments of OEMs for specialised equipment / components. Enabler Work Stream(s): • Maintenance strategy and operating model. • Infrastructure procurement processes and capabilities. • OHS Act (1993) Improvement Programme	
		4. Increased contribution of infrastructure spend to socio-economic development	• Failure to meet set targets, due to misaligned, inefficient procurement processes. • Lack of access for SMMEs (black, women, youth-owned and TER). • Lack of manufacturing capacity and manufacturing facilities in the townships. • Community disruptions, depressed socio-economic status. • Poor performance of empowered (supported) black firms.	• Customised procurement processes implemented to support localisation and empowerment. • Ensure all tender / bid specifications are clearly worded to target specific policy requirements. • SMMEs provided repeat work through clustering of projects and precinct work. • Collaborate with DED. • Improved social contracting - very clear plans, communicated • Incubation and mentorship, strict application of programme terms and conditions, including penalties for non-performance or lack of commitment.	



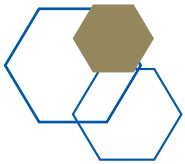
Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)	
		5. Poverty relief and improved employability of EPWP participants	• Lack of awareness of the programme principles and requirements. • Inadequate reporting (data integrity, etc.). • Non-compliance to EPWP core principles. • Protests. • Ward councillor interference.	• Biometrics system fully implemented and institutionalised. • EPWP Phase 4 Roadmap for Gauteng developed – demand-based model implemented through the 5 hubs and spokes. • EPWP Gauteng Policy Framework developed, for Exco approval. • Exit NYS and Zivuseni 3 DID focus/ capacitation for coordination role. • Moses Kotane Skills Centre continued rollout - accredited and increased choices of training courses. • Partnerships with other private and public sector organisations to provide exit opportunities for EPWP participants training and awareness. Enabler Work Stream(s): • Strengthening the DID's role as provincial coordinator of the EPWP.	
	6. Capable, ethical and developmental organisation	• Adverse audit outcome. • Service delivery targets not achieved. • Non-compliance, contravention and inability to remedy gaps in business process. • Lack of resources to conduct stakeholder satisfaction surveys. • Lack of resources / capacity to develop ISO system and to maintain + other elements of digital transformation.	• Operation Clean Audit, and continuous improvement of the internal control environment. • Benchmark studies completed - new operating model implemented. • Digitisation / automation of key business processes. • Digital transformation strategy implemented. • Support for registration and CPD opportunities across all BE professionals. • Lutsinga Infrastructure House Business Intelligence capabilities expanded and enhanced to provide real-time decision-making solutions across GPG. • Governance structures implemented, consistently. • Pioneer the application of Blockchain in managing property transactions within the Province. • Revenue optimisation and cost minimisation strategy implemented. Enabler Work Stream(s): • Funding Model. • Value optimisation of the IDMS. • Organisational structure review and change management. • Infrastructure procurement processes and capabilities. • Operationalise the Exco decision on the Integrated Planning and Coordination Function within the GPG. • Establish multidisciplinary people management work stream.		



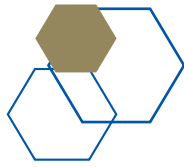
Resolution No.	Subject	Details	Response by the department		Resolved (Yes/No)
			Risks identified 2020/21	Risks identified 2019/20	
9		Provide a list of the risks identified in the 2020/21 financial year, which were also identified in the 2019/20 financial year, i.e., 31 March 2020.	1. Inability to collect revenue from custodial properties	1. Inadequate provision of office accommodation for GPG Departments at Regional Offices.	
			2. Litigation	2. Inability to meet property disposal targets	
			3. Inadequate provision of office accommodation for GPG Departments at Regional Offices	3. Inability to commercialise surplus to requirements (STR).	
			4. Inability to meet property disposal targets	4. Delays in the delivery of Social Infrastructure.	
			5. Inability to commercialise surplus to requirements (STR)	5. Inability to collect revenue from custodial properties.	
			6. Delays in the delivery of Social Infrastructure	6. Litigation.	
			7. Inadequate OHS compliance in GPG owned office buildings and health facilities	7. Inadequate implementation of EPWP principles by Public Bodies as per Ministerial determination and EPWP guidelines.	
			8. Inadequate response to disaster in relation to Business continuity	8. Inadequate OHS compliance in GPG-owned office buildings and health facilities.	
			9. Inadequate implementation of EPWP principles by Public Bodies	9. Inadequate response to disaster in relation to provision of alternative head office accommodation for GPG departments, lack of GPG BCP for office accommodation.	



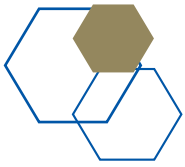
Resolution No.	Subject	Details	Response by the department		Resolved (Yes/No)
			Recurring risk	Reasons for recurring	
10		For each risk listed in 1, provide reasons for such a risk to have occurred or not to have been prevented.	1. Inability to collect revenue from custodial properties	Action plans identified during 2019/20 were partially implemented and new action plans were proposed during 2020/21 and will be monitored to ensure that they address the risk and root causes identified.	
			2. Litigation	Action plans were implemented however the Department is still face with the risk as the root causes were not addressed and were persistent during the past financial years.	
			3. Inadequate provision of office accommodation for GPG Departments at Regional Offices	Action plans were partially implemented and the DID as a custodian is still faced with the risk of providing office accommodation as the Kopanong Precinct Project is yet to be implemented.	
			4. Inability to meet property disposal targets	The action plans were partially implemented, and the Department is yet to dispose more properties.	
			5. Inability to commercialise surplus to requirements (STR)	The action plans were partially implemented.	
			6. Delays in the delivery of Social Infrastructure	The action plans were partially implemented, and projects were not implemented or completed in time.	
			7. OHS compliance in GPG-owned office buildings and health facilities	Action plans were not implemented, and the Department still has to implement the OHS function which will ensure compliance to OHS requirements.	
			8. Inadequate response to disaster in relation to business continuity	The Business Continuity Plan is yet to be finalised.	
			9. Inadequate implementation of EPWP principles by Public Bodies	Action plans were partially implemented, and new ones were identified and will be monitored for effectiveness during the course of the year.	



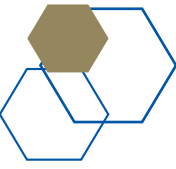
Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
SCOPA'S RESOLUTIONS EMANATING FROM THE REPORT OF THE AUDITOR-GENERAL TO THE GAUTENG LEGISLATURE ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF THE DEPARTMENT OF INFRASTRUCTURE DEVELOPMENT FOR THE YEAR ENDED 31 MARCH 2021				
1	Significant findings and conclusions	That the Department must submit a quarterly progress report on the finalisation of the lawsuits reported for the period to 31 March 2020 by 31 January 2022 and a quarterly progress continuing up until finalization thereof.	The report is attached hereto, Annexure "A" .	
2		That the Department must submit a quarterly progress report on the finalisation of the lawsuits reported for the period to 31 March 2020 by 31 January 2022 and a quarterly progress continuing up until finalization thereof	Not applicable. The question is the same as question (1) above.	



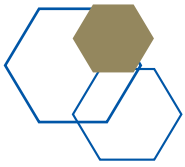
Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
3		That the Department must investigate alternative measures to reduce the occurrence of lawsuits and submit the plan to the Committee by 31 January 2022.	The Department has implemented the following measures: (a) Utilisation of the Electronic Invoicing System (EIS) system. (b) Supplier registration and submission of invoices through EIS. (c) Direct payments by Department of Health of service provider invoices on EIS system. (d) Standard operating procedures drafted to streamline payments between the DID and client departments. (e) Training sessions have been held on Contract Management as follows: (i) Project Management Webinar on Contracts held on 20 August 2021 dealing with: - The role of Contract Management in the successful delivery or failure of infrastructure projects. - Choice of contracts. - Contract disputes. - Performance monitoring and evaluation/poor contractor performance. - Management of poor contractor performance. - Project scope change or variation orders or Compensation Events management. - Late payments of contractors and sub-contractors. (ii) Workshop held on 5 November 2021 for Project Managers on Procurement Processes and Variations, Financial Management Compliance, Contract Management and Project Management Infrastructure Delivery Management System (IDMS) related content. (iii) Integrated Construction Management workshop held on 6 December 2021 with a focus on Construction Law principles.	
4	Restatement of prior year amounts	That the Department must implement adequate processes to curb restatements of corresponding figures and provide the Committee with a progress report detailing the effectiveness of the processes by 31 January 2022 and a quarterly progress report continuing up until the end of June 2022.	The Department has made a follow up with the Department of Rural Development and Land Reform regarding Item 28 Certificates which confirm vesting of the immovable property in the name of the Department. To date only five Item 28 Certificate have been confirmed and received and are all vested in 2021/22 financial year, consequently these will not result in restatement of an opening balance. The Immovable Asset Register has been fully updated, including disclosure notes on the financial statements.	
5	Subsequent event	That the Department submits a progress report on completion of repairing the fire damage at Charlotte Maxeke Johannesburg Academic Hospital by 31 January 2022 and thereafter every quarter continuing until finalisation thereof.	Please find attached letter regarding restorations of health care services at Charlotte Maxeke Johannesburg Academic Hospital.	



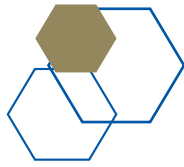
Resolution No.	Subject	Details	Response by the department			Resolved (Yes/No)
6	Covid-19 expenditure response	That the Department must provide the Committee with a report detailing procurement of COVID-19 construction projects and emergency refurbishment projects by 31 January 2022 and a quarterly progress until June 2022.	Procurement of COVID-19 construction projects was done through the Emergency Procurement Guide, Treasury No 5 of 2020/21. Progress as at 31 January 2022 is as per the following:			
			Project	Progress as at 31st January 2022		
			ABT's			
			Jubilee Hospital	Completed		
			George Mukhari Hospital	Not completed		
			Chris Hani Baragwanath Hospital	Completed		
			Kopanong Hospital	Not completed. The client is considering re-purposing the facility hence the planning process is underway. Projected completion date is October 2023.		
			Refurbishment projects			
7	Expenditure management, payment of service providers within 30 days	That the Department must by 31 January 2021 provide its analysis/plan to ensure that it complies with the legislative requirements to pay service providers within 30 days and possibly with 15 days as per the provincial government target.	Tshwane District Hospital	Completed		Analysis of payment of suppliers within 30 days over the past 9 months, shows that the Department continues to make progress in pursuit of paying service providers within 30 days. Below is a trend analysis of payment of suppliers over 15 days and 30 days periods.
			Lenasia CHC	Completed		
			Discoverers	Completed		
			George Mukhari	Not completed, completion date: 15 February 2022.		
			Period	30 Days-Compliance %	15 Days-Compliance %	
			Apr-21	53%	27%	
			May-21	63%	39%	
			Jun-21	71%	40%	
Jul-21	76%	42%				
Aug-21	83%	51%				
Sep-21	70%	36%				
Oct-21	83%	46%				
Nov-21	87%	65%				



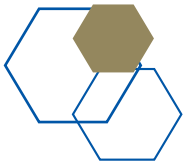
Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
8	Procurement and contract management	That the Department provides the Committee with a plan put in place to provide adequate oversight over compliance with SCM laws and regulations by 31 January 2022 and thereafter its effectiveness every quarter continuing up until the end of June 2022.	In addition, the Department is working closely with Department of Health regarding timeous transfer of funds. The two Departments have developed a Standard Operating Procedure outlining the activities and timing of the payment process, furthermore the MEC for DID is writing a letter to the MEC for Department of Health to intervene in transferring of funds to the DID timeously. Bilateral engagements were held by the DID with other client departments in the month of November and December 2021, particularly to emphasise the payment of suppliers within 30 days and possibly within 15 days as per the Provincial Government target.	
			ACTIVITIES TO COMPLY WITH THE REGULATIONS	PLAN TO IMPROVE COMPLIANCE
			The Department will leverage on the work of probity auditors to improve compliance with prescripts. The probity auditors sit in both specifications and Bid Evaluation Committees to check compliance and issue report to BAC with a recommendation.	All projects above R2 million are subjected to probity auditors process for compliance and quality check. A probity report is issued to be tabled at BAC.
			Improvement of review mechanism before award.	All findings raised by probity auditors are resolved before projects are tabled before the BAC.
			Ensure that all emergency procurements are submitted to BAC before submission to the Accounting Officer for approval.	All emergency procurement projects are tabled at BAC for Accounting Officers approval. The process started on 30 September 2021 with the following projects: Charlotte Maxeke propping project. Charlotte Maxeke remedial work for fire.
		Development of Emergency Procurement Policy	Emergency Policy is submitted to the Policy Unit for review and submission to the HOD for approval. Awaiting approval of the Emergency policy by the Accounting Officer.	
		Ensure that there is a standing invitation for client departments to participate in the bidding process of the client departments' projects.	Client departments are invited for all projects above R2 million.	



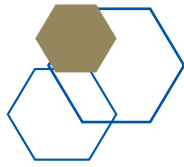
Resolution No.	Subject	Details	Response by the department							Resolved (Yes/No)
			No.	Case Number	Details of the Allegation	Date Allegation Received	Investigation Commenced	Investigation Completed	Status of Investigation (Planning, Execution, Reporting/ Finalized)	
9	Consequence management	That the Department must provide the Committee with a report detailing the status of the various investigations regarding the irregular expenditure and disciplinary steps taken against officials and provides the Committee with a progress report by 31 January 2022 and thereafter every quarter continuing up until the end of June 2022.	1.	1/4/2021	Allegation of irregular expenditure for Mayibuye Primary School	29/03/2021	Not applicable	Yes	Investigation concluded and the report was submitted to HOD for approval.	
			2.	2/4/2021	Investigation report into deviation in response to pandemic to Treasury timeously and procurement made without approval by the Accounting Officer.		Not applicable	Yes	Investigation finalised and approved by HOD. Investigation report referred to Labour Relations Directorate for implementation of recommendations (to institute the disciplinary hearing). Labour Relations is in the process of implementing the recommendations.	



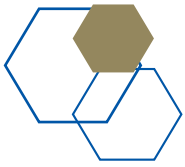
Resolution No.	Subject	Details	Response by the department						Resolved (Yes/No)
3.			3/4/2021	Request for approval of the CE at Chokoe Primary School.	16/04/2021	Yes	No	Investigation is conducted by the Consultants. Consultants were given 60 days to conclude the investigations. Consultants were appointed during the first week of December 2021.	
			1/5/2021	Investigation into allegations of irregular expenditure at Turbine Hall.	18/05/2021	Not applicable	Yes	Investigation finalised and approved by HOD. Investigation report referred to Labour Relations Directorate for implementation of recommendations (to institute the disciplinary hearing). Labour Relations is in the process of implementing the recommendations.	
4.									



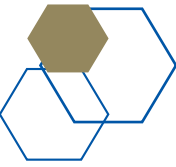
Resolution No.	Subject	Details	Response by the department					Resolved (Yes/No)	
			5.	3/5/2021	Allegation of irregular financial expenditure due to extension of project scope regarding upgrade, entire electrical reticulation at Westrand Clinic projects.	24/5/2021	Yes	No	Investigation is conducted by the Consultants. Consultants were given 60 days to conclude the investigations. Consultants were appointed during the first week of December 2021.
			6.	1/6/2021	Investigation of Rebosis Property Fund.	3/6/2021	Yes	No	Investigation is conducted by the Consultants. Consultants were given 60 days to conclude the investigations. Consultants were appointed during the first week of December 2021.



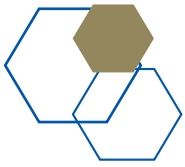
Resolution No.	Subject	Details	Response by the department						Resolved (Yes/No)
			7.	2/6/2021	Investigation of ex post facto approval to enter into a second addendum for the Department of Community Safety at 64 Pritchard Street.	4/6/2021	Yes	No	Investigation is conducted by the Consultants. Consultants were given 60 days to conclude the investigations. Consultants were appointed during the first week of December 2021.
			8.	1/7/2021	Investigation at Tlhokomelo Primary School.	20/7/2021	Yes	No	Investigation is conducted by the Consultants. Consultants were given 60 days to conclude the
			9.	2/7/2021	Investigation at Charlotte Maxeke SCM for procurement of Contractor and PSP.	20/7/2021	Yes	No	Investigation is conducted by the Consultants. Consultants were given 60 days to conclude the



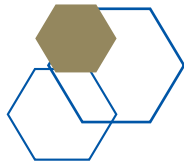
Resolution No.	Subject	Details	Response by the department						Resolved (Yes/No)
10.			2/8/2021	Investigation on CE number 2 at Bafikile Primary School.	5/8/2021	Yes	No	Investigation is conducted by the Consultants. Consultants were given 60 days to conclude the investigations. Consultants were appointed during the first week of December 2021.	
			4/8/2021	Investigation into allegations of CE number 12 at New Kekanastad Clinic	10/8/2021	Yes	No	Investigation is conducted by the Consultants. Consultants were given 60 days to conclude the investigations. Consultants were appointed during the first week of December 2021.	
			5/8/2021	Investigation into allegations of request for approval for CE number 1 extension of contract period with cost for Felicitas LSEN School.	10/8/2021	Yes	No	Investigation is conducted by the Consultants. Consultants were given 60 days to conclude the investigations. Consultants were appointed during the first week of December 2021.	
11.									
12.									



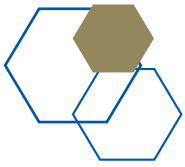
Resolution No.	Subject	Details	Response by the department					Resolved (Yes/No)	
			13.	6/8/2021	Investigation into allegations of request for approval for CE number 2 ex post facto with cost from project savings due to covid-19 compliance requirements at Dr Harry Secondary School.	25/8/2021	Yes	No	Investigation is conducted by the Consultants. Consultants were given 60 days to conclude the investigations. Consultants were appointed during the first week of December 2021.
			14.	1/9/2021	Investigation into allegations of request to pay outstanding rental in respect of 11 Diagonal and Game Building.	2/9/2021	Yes	No	Investigation is conducted by the Consultants. Consultants were given 60 days to conclude the investigations. Consultants were appointed during the first week of December 2021.
			15.	2/9/2021	Investigation into allegations of proposed termination of contract for Dolmen Engineers (Bafeti School).	7/9/2021	Yes	No	Investigation is conducted by the Consultants. Consultants were given 60 days to conclude the investigations. Consultants were appointed during the first week of December 2021.



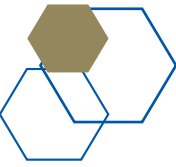
Resolution No.	Subject	Details	Response by the department							Resolved (Yes/No)
			No.	Case Number	Details of the Allegation	Date Allegation Received	Investigation Commenced	Investigation Completed	Status of Investigation (Planning, Execution, Reporting or Completed)	
			1.	2/07/2020	Allegation of irregular expenditure for Sibani Group.	2/07/2020	Yes	No	Investigation is conducted by the Consultants.	
			2.	1/10/2020	Allegation of unnecessary delays in Procurement of OEMS.	1/10/2020	Yes	No	Investigation is conducted by the Consultants.	
			3.	2/10/2020	Allegation of irregular expenditure for Rental Buildings during 2018/2019 financial year at Department of Education. Interpark SA (Pty) Ltd. Catholic Archdiocese of JHB. St Anthony's Education Centre. Host Props 85 (Pty) Ltd. Ascensions Properties. City property. Slip knot investment 777 (Pty) Ltd. Duncanville Vereeniging.	6/10/2020	Yes	No	Investigation in progress by Office of the Premier (OoP).	



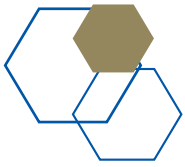
Resolution No.	Subject	Details	Response by the department						Resolved (Yes/No)
10	Internal control deficiencies	That the Department must provide the Committee with a progress report by 31 January 2022 on the effectiveness of measures put in place to address poor leadership in the Department and thereafter every quarter continuing up until the end of June 2022.	4.	2/10/2020	Variation Order in respect of: Rethabiseng Primary School. Springs SS Mangondo.	6/10/2020	Yes	No	Investigation in progress by OoP.
			5.	4/03/2021	Allegation on procurement of emergency contractors without the DID processes followed at Baragwanath Hospital.	5/03/2021	Yes	No	Investigation is conducted by the Consultants.
			6.	5/3/2021	Allegation of ABT CE management and value for money on projects on delivery versus expenditure.	11/03/2021	Not applicable	Yes	Investigation completed and approved by HOD. HOD to write condonement submission to Treasury.
			7.	6/3/2021	Allegation of PPE procurement and expenditure.	24/03/2021	Yes	No	Investigation in progress.
			In order to improve poor leadership in the Department, increasing oversight has been provided over each of the portfolios and strategic areas in the Department. This includes introducing weekly War Rooms and the submission of weekly reports to the HOD in order to ensure improved performance, accountability and transparency across the organisation. The War Rooms are starting to show results in that for Q1 and Q2 of 2021/22 financial year, no irregular expenditure has been reported. It is anticipated that by the end of the year, significant leadership improvements will be notable in other areas, including in terms of the implementation of AG findings and general performance improvements.						



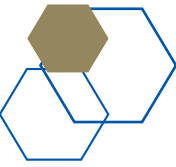
Resolution No.	Subject	Details	Response by the department							Resolved (Yes/No)
11	Investigations	That the Department must provide the Committee with a progress report on the investigations it is conducting, detailing the status of each investigation by 31 January 2022 and a quarterly progress thereafter up until the end of June 2022.	List of Irregular Expenditure Investigations for the 2021/22 Financial Year							
			No.	Case Number	Details of the Allegation	Date Allegation Received	Investigation Commenced	Investigation Completed	Status of Investigation (Planning, Execution, Reporting/ Finalized)	
			1.	1/4/2021	Allegation of irregular expenditure for Mayibuye Primary School.	29/03/2021	Not applicable	Yes	Investigation concluded and the report was submitted to HOD for approval.	
			2.	2/4/2021	Investigation report into deviation in response to pandemic not reported to Treasury timeously and procurement made without approval by the Accounting Officer.		Not applicable	Yes	Investigation finalized and approved by HOD. Investigation report referred to Labour Relations Directorate for implementation of recommendations (to institute the disciplinary hearing). Labour Relations is in the process of implementing the recommendations.	
			3.	3/4/2021	Request for approval of the compensation event at Chokoe Primary School.	16/04/2021	Yes	No	Investigation is conducted by the Consultants. Consultants were given 60 days to conclude the investigations. Consultants were appointed during the first week of December 2021.	



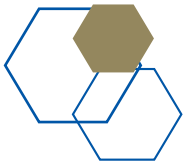
Resolution No.	Subject	Details	Response by the department					Resolved (Yes/No)
4.			1/5/2021	Investigation into allegations of irregular expenditure at Turbine Hall.	18/05/2021	Not applicable	Yes	Investigation finalised and approved by HOD. Investigation report referred to Labour Relations Directorate for implementation of recommendations (to institute the disciplinary hearing). Labour Relations is in the process of implementing the recommendations.
5.			3/5/2021	Allegation of irregular financial expenditure due to extension of project scope regarding upgrade, entire electrical reticulation at Westrand Clinic projects.	24/5/2021	Yes	No	Investigation is conducted by the Consultants. Consultants were given 60 days to conclude the investigations. Consultants were appointed during the first week of December 2021.
6.			1/6/2021	Investigation of Rebois Property Fund.	3/6/2021	Yes	No	Investigation is conducted by the Consultants. Consultants were given 60 days to conclude the investigations. Consultants were appointed during the first week of December 2021.



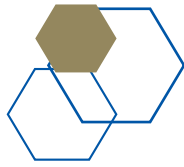
Resolution No.	Subject	Details	Response by the department					Resolved (Yes/No)
7.			2/6/2021	Investigation of ex post facto approval to enter into a second addendum for the Department of Community Safety at no. 4 Pritchard street.	4/6/2021	Yes	No	Investigation is conducted by the Consultants. Consultants were given 60 days to conclude the investigations. Consultants were appointed during the first week of December 2021.
8.			1/7/2021	Investigation at Tlhokomelo Primary School.	20/7/2021	Yes	No	Investigation is conducted by the Consultants. Consultants were given 60 days to conclude the investigations. Consultants were appointed during the first week of December 2021.
9.			2/7/2021	Investigation at Charlotte Maxeke SCM, Procurement of Contractor and PSP.	20/7/2021	Yes	No	Investigation is conducted by the Consultants. Consultants were given 60 days to conclude the investigations. Consultants were appointed during the first week of December 2021.



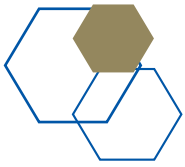
Resolution No.	Subject	Details	Response by the department					Resolved (Yes/No)
10.			2/8/2021	Investigation on CE number 2 Bafikile Primary School.	5/8/2021	Yes	No	Investigation is conducted by the Consultants. Consultants were given 60 days to conclude the investigations. Consultants were appointed during the first week of December 2021.
11.			4/8/2021	Investigation into allegations of CE number 12 at New Kekanastad Clinic.	10/8/2021	Yes	No	Investigation is conducted by the Consultants. Consultants were given 60 days to conclude the investigations. Consultants were appointed during the first week of December 2021.
12.			5/8/2021	Investigation into allegations of request for approval for CE number 1 extension of contract period with cost for Felicitas LSEN School.	10/8/2021	Yes	No	Investigation is conducted by the Consultants. Consultants were given 60 days to conclude the investigations. Consultants were appointed during the first week of December 2021.



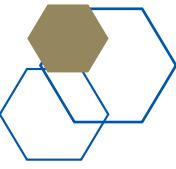
Resolution No.	Subject	Details	Response by the department					Resolved (Yes/No)	
			13.	6/8/2021	Investigation into allegations of request for approval for CE number 2 ex-post facto with cost from project savings due to covid-19 compliance requirements at Dr Harry Secondary School.	25/8/2021	Yes	No	Investigation is conducted by the Consultants. Consultants were given 60 days to conclude the investigations. Consultants were appointed during the first week of December 2021.
			14.	1/9/2021	Investigation into allegations of request to pay outstanding rental in respect of 11 Diagonal Street and Game Building.	2/9/2021	Yes	No	Investigation is conducted by the Consultants. Consultants were given 60 days to conclude the investigations. Consultants were appointed during the first week of December 2021.
			15.	2/9/2021	Investigation into allegations of proposed termination of contract for Dolmen Engineers (Bafeti School).	7/9/2021	Yes	No	Investigation is conducted by the Consultants. Consultants were given 60 days to conclude the investigations. Consultants were appointed during the first week of December 2021.



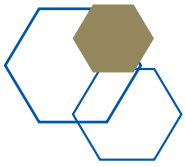
Resolution No.	Subject	Details	Response by the department							Resolved (Yes/No)
			List of Irregular Expenditure Investigations for the Financial Year 2020/21 Financial Year							
			No.	Case Number	Details of the Allegation	Date Allegation Received	Investigation Commenced	Investigation Completed	Status of Investigation (Planning, Execution, Reporting or Completed)	
			1.	2/07/2020	Allegation of irregular expenditure for Sibani Group.	2/07/2020	Yes	No	Investigation is conducted by the Consultants.	
			2.	1/10/2020	Allegation of unnecessary delays in procurement of OEMS.	1/10/2020	Yes	No	Investigation is conducted by the Consultants.	
			3.	2/10/2020	Allegation of irregular expenditure for rental buildings during 2018/2019 financial year at Department of Education. Interpark SA (Pty) Ltd. Catholic Archdiocese of JHB. St Anthony's Education Centre. Host Props 85 (Pty) Ltd. Ascensions Properties. City property. Slip Knot investment 777 (Pty) Ltd. Duncanville, Vereeniging.	6/10/2020	Yes	No	Investigation in progress by Office of the Premier (OoP).	
			4.	2/10/2020	Variation Order in respect of: Rethabiseng Primary School. Springs SS Mangondo.	6/10/2020	Yes	No	Investigation in progress by OoP.	



Resolution No.	Subject	Details	Response by the department							Resolved (Yes/No)
12	Expenditure Management	That the Department must provide the Committee with a progress report detailing the status of the investigation on fruitless and wasteful expenditure and possible write off by 31 January 2022 and every quarter continuing up until end of June 2022.	5.	4/03/2021	Allegation on procurement of emergency contractors without the DID processes followed at Bara Hospital.	5/03/2021	Yes	No	Investigation is conducted by the Consultants.	
			6.	5/3/2021	Allegation of ABT CE management and value for money on projects delivery versus expenditure.	11/03/2021	Not applicable	Yes	Investigation completed and approved by HOD. HOD to write condonement submission to Treasury.	
			7.	6/3/2021	Allegation of PPE procurement and expenditure.	24/03/2021	Yes	No	Investigation in progress.	
			No.	Case Number	Details of the Allegation	Date Allegation Received	Investigation Commenced	Investigation Completed	Status of Investigation (Planning, Execution, Reporting or Completed)	
			1.	4/9/2021	Investigation into allegations of fruitless and wasteful expenditure at 78 Fox Street for the HVAC Project 2020/2021.	21/9/2021	Yes	No	Investigation is conducted by the Consultants. Consultants were given 60 days to conclude the investigations. Consultants were appointed during the first week of December 2021.	



Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
13	Filling of vacant positions	That the Department must provide the Committee with plans to fill the position of the Chief Financial Officer and progress made by 31 January 2022 and quarterly until the finalisation thereof.	a. Interviews were conducted on the 6 December 2021. b. The recommended candidates attended the required Competency Assessment on 10 and 13 December 2021. c. The profiles of the recommended candidates have been sent to State Security Agency (SSA) for the compulsory security clearance which has to be submitted prior to appointment. d. The security clearance process takes between 2 to 5 months to be finalised depending on the SSA capacity. e. The Department has requested that SSA prioritises this particular request so that the post can be filled by 31 March 2022.	
14	ICT Disaster Recovery Plan	The Department must provide an update on its IT Disaster Recovery Plan (DRP) considerations as part of the BCP based on a business impact analysis by 31 January 2022. This must be accompanied by an indication if the SLA with e-Gov and SITA has been finalized, approved, and signed.	The IT Disaster Recovery plan has been implemented as part of the SITA SLA. The Disaster Recovery testing sessions are conducted twice per annum as per stipulations in the SLA. An SLA with e-Gov and SITA is in place and approved.	
15	Audit Action Plans	That the Department must submit its Audit Action Plan indicating each area of finding by the AGSA in the 2020/21 financial year; plans to address the area of findings; and timeframes for implementation by 31 January 2022.	Please refer to the attached Audit Action Plan, Annexure B.	
16		That the Department must submit progress made in the implementation of its audit action plan by 31 January 2022 and every quarter thereafter until all resolutions are resolved.	Please refer to the attached Audit Action Plan, Annexure B.	
17		That the Department must submit its assessment of the implications of its audit action plans to the current (2021/22) financial year 31 January 2022.	Please refer to the attached Audit Improvement Plan, Annexure C.	



Resolution No.	Subject	Details	Response by the department					Resolved (Yes/No)
18	Response to house resolutions emanating from SCOPA oversight report for 2010/20	That the Department must respond to House Resolutions emanating from the oversight report of SCOPA on the report of the AGSA to the Legislature on its financial statements for the previous financial year, 2019/20, by 31 January 2022.	Programme	R'000	APRIL TO DECEMBER 2021			That the Department must submit its plan to prevent over commitments. This plan must include the assessment of its effect in the 2020/21 financial year, by 31 July 2021. That the Department must also submit quarterly assessment reports on the implementation of the plan and its impact on the 2021/22 financial year, every quarter continuing up until the end June 2022. On a monthly basis, Finance circulates the Departmental performance report to all SMS members. This is to ensure that SMS members are afforded an opportunity to provide reasons for overspending and mitigations within their directorates. In our monthly management meetings, the Accounting Officer will further interrogate the explanation provided by management to ensure that the reasons provided are adequate to prevent any possible overspending. Accruals are also monitored on monthly basis to ensure that there are no overcommitment. Below please find the Departmental expenditure at economic classification as at 10 December 2021.
				Budget	Actual	Available budget	% Spent	
				Compensation of employees	1 115 884	763,931	351,952	
			Goods and Services	953 931	651,583	302,348	68%	
			Interest	100	-	100	0%	
			Provinces and Municipalities	1 025 376	707,830	317,546	69%	
			Households	3 000	4,345	(1,345)	145%	
			Buildings and Other Fixed Structures	137 550	10,070	127,479	7%	
			Machinery and Equipment	25 090	13,981	11,108	6%	
			Total	3 260 931	2,151,407	1,109,523	6%	
						Based on the table above, the Department is only overspending on households and funds will be reprioritised to curb overspending. The Department must submit its audit action plans indicating the following: Each area of finding by the AGSA in the 2019/20 financial year; plan by the Department to address the area of finding; time frame and progress of implementation as at 31 March 2021. The Department must thereafter submit quarterly progress on the implementation of the audit action plans for 2020/21 until 30 October 2021.		



9. PRIOR MODIFICATIONS TO AUDIT REPORTS

The Department has established an internal control function to ensure effective and efficient management of audit queries and implementation of action plans to respond and address audit matters, queries, control weaknesses raised by the Auditor-General South Africa (AGSA).

The below table illustrate nature of qualification, disclaimer, adverse opinion and matters of non-compliance indicating the financial year in which the matters was initially raised and the progress made in clearing and or resolving the matter.

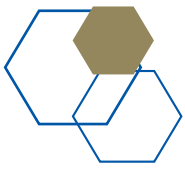
Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 40(1)(b) of the PFMA (1999, as amended). Material misstatements of some disclosure items identified by the auditors in the submitted financial statements were corrected, resulting in the financial statements receiving an unqualified audit opinion.	2013/14	The Department has significantly reduced the number of material misstatements reported over the years through the assistance of the provincial treasury. Only one item of material misstatement was reported during 2020/21 audit.
Some contractual obligations and money owed by the department were not settled within 30 days or an agreed period, as required by section 38(1)(f) of the PFMA (1999, as amended) and Treasury Regulation 8.2.3	2013/14	A new payment process was introduced to reduce the turnaround time it takes to process supplier payments. The Department has also established a Payment War Room to fast-track payment of suppliers within 30 days.
Effective and appropriate steps were not taken to prevent irregular expenditure as disclosed in notes to the financial statements, as required by section 38(1)(c)(ii) of the PFMA (1999, as amended) and Treasury Regulation 9.1.1	2013/14	Compliance reviews are conducted through the internal control function to ensure that the Department complies with procurement regulations. This process has assisted the Department in ensuring that non-compliance is detected and corrected early.

10. INTERNAL CONTROL UNIT

The Internal Control function within the DID is tasked with the responsibility of maintaining sound internal control environment, assisting the department to implement effective governance frameworks, and facilitation of compliance driven culture within the organisation. The Internal Control unit assisted the Department in developing an Audit Improvement Plan (AIP) to address internal control deficiencies identified during audits conducted by both Gauteng Audit Services (GAS) and the AGSA.

During the 2021/22 financial period, the Internal Control Unit supported the Department in developing and implementing audit action plans designed to strengthen internal control structures and processes for financial reporting, supply chain management, and performance management in response to findings and recommendations of the Auditor-General and Internal audit. The following internal control assessments were also conducted:

- Assessment of integrity and reliability of financial and non-financial reports.
- Compliance reviews with all applicable legislations, policies and procedures.
- Review of interim Financial Statements and performance reports.
- Review of Immovable Asset Register to ensure completeness and safeguarding of departmental immovable assets.



11. INTERNAL AUDIT AND AUDIT COMMITTEES

Key activities and objectives of the internal audit

An internal audit is a managerial tool that serves to improve processes and internal controls within a department. Internal Audit's objective is to provide an assessment of the department's risks, control environment, and operational effectiveness. Through the Internal Control Unit, the Department sourced the service of the GAS to ensure the following services is rendered:

- Consistently reviewing departmental business practices.
- Evaluating that risk management procedures are in place.
- Implementing controls to protect against fraud and theft of the departmental assets and service rendered value for money.
- Ensuring laws and regulations are compliant.
- Making recommendations on process improvement.

Key activities and objectives of the audit committee

According the Audit Committee Charter, the following are fundamental responsibilities and primary objectives of the committee:

Primary Objectives

- To enforce and strengthen accountability from institutions, improve the internal control environment and promote the culture of professional ethics and good governance.
- To ensure the availability of a well-resourced, functional and sustained internal audit function.
- To ensure sound relationships with all assurance providers, oversight structures and other stakeholder to achieve an effective combined assurance system.
- To ensure effective and efficient internal and external audit processes in a coordinated manner.
- To promote sound functional interaction between the internal audit and other assurance providers.
- To ensure adequate and effective corporate governance, encompassing fraud and risk management, information management, internal control, financial management and reporting systems.
- To enforce accountability in terms of financial and performance management for effective service delivery.
- To ensure compliance with relevant laws and regulations.

Fundamental responsibilities

- Review, amend and adopt the GPG Audit Committee Charter annually or sooner if deemed necessary.
- Assess the processes related to the risk and control environment pertaining to each GPG institution in that cluster.
- Oversee the financial, non-financial reporting process, as well as IT governance, evaluate the internal and external audit process.
- Foster and improve open communication and contact among relevant stakeholders in the institution in that cluster.



- Assess the relevance of and credibility of the outcome of the institution predetermined objectives, counsel and monitor the implementation of action plans.
- Review the governance arrangements, processes and structures, as well as information relating to the adequacy, efficiency and effectiveness of internal controls relating to ICT.
- Report on the acceptability of the quarterly reports submitted to Provincial/National Treasury and should ensure that Internal Audit provides assurance on a quarterly basis and monitors implementation of action plans.
- The Cluster Audit Committee shall make recommendations to HoDs who then retain the responsibility for implementing such recommendations.

12. AUDIT COMMITTEE REPORT

Report of the Audit Committee – Cluster 04

Gauteng Department of Infrastructure Development

We are pleased to present our report for the financial year ended 31 March 2022.

Audit Committee and Attendance

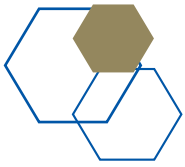
The Audit Committee consists of the external Members listed hereunder and is required to meet a minimum of at least two times per annum as per the provisions of the Public Finance Management Act, 1999 (Act Number 1 of 1999) (PFMA). In terms of the approved Terms of Reference (GPG Audit Committee Charter),

Five meetings were held during the current year i.e. three meetings to consider the Quarterly Performance Reporting (financial and non-financial) and two meetings to review and discuss the Annual Financial Statements and the Auditor-General of South Africa's Audit and Management Reports.

Non-Executive Members

The table below discloses relevant audit committee information:

Name	Qualifications	Internal or external	Date appointed	No. of Meetings attended
Vishnumurthie Kista Naicker	• B. Com (Accounting and Economics Major) • Higher Diploma in Taxation (H. Dip. Tax) • Business Management Diploma (B. Mg. Dip) • Systems Administration Diploma • Sustainable Business Strategy(Harvard Certification)	External	11 Aug 2020	5
George Higgins	• Chartered Accountant (SA) • B. Com (Hons) • B. Com • Higher Diploma in Auditing	External	01 Sept 2016	5
MMathebe Annah Faith Moja (Ms)	• Masters in Business Leadership • Advanced Treasury Management • B. Com	External	11 Aug 2020	5



Executive Members

In terms of the GPG Audit Committee Charter, officials listed hereunder are obliged to attend meetings of the Audit Committee:

Compulsory Attendees	Number of Meetings Attended
Dr. Thulani A Mdadane (Accounting Officer)	04
Mr. Moloko Matloha (Acting Chief Financial Officer)	02
Mr. Rhulani Phelembe (Acting Chief Financial Officer)	03
Mr. Phumzile Ntsizi (Acting Chief Risk Officer)	05
Mr. Kweyama Velile (Chief Audit Executive)	05

The Audit Committee is satisfied that the Department adhered to the provisions of the GPG Audit Committee Charter.

The members of the audit committee held meetings with the accounting officer, senior management of the department, internal audit function and the Auditor-General of South Africa collectively and individually, on matters related to governance, internal control and risk in the department, throughout the reporting period. The Chairperson also held a meeting with the honorable Member of the Executive Committee Ms. T Motara to report on governance, internal control, risk, performance and financial information and other relevant matters concerning the department.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38(1)(a) of the PFMA 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.

The effectiveness of internal control

The Audit Committee acknowledges management's efforts to strengthen internal controls in the Department. From the various reports of the internal auditors, management and audit reports of the Auditor General of South Africa, it was noted that matters were reported indicating deficiencies in the system of internal controls in areas pertaining to financial reporting, asset management, reporting on pre-determined objectives, material misstatement in the financial statement and compliance with laws and regulations and in some cases resulted on repeat findings.

In some areas, the system on internal control for the period under review was determined to be adequate but ineffective and there is opportunity for improvement in so far as addressing internal audit findings timeously and implementation of consequence management. Some of the issues/concerns raised by Internal Audit during year were raised by the Auditor-General of South Africa, The Audit Committee believes that management should continue strengthening the internal control environment through the development and implementation of systems across the internal control universe. Additionally, Management enhance its financial reporting controls to reduce the likelihood of material misstatement to the financial statements.

Information and Communication Technology (ICT) Governance

The Department should strengthen the adequacy and effectiveness internal controls Auditor-General of South Africa around ICT governance, business continuity and ICT general controls. The Department has been urged to devote significant resources to addressing these weaknesses in the next financial year and exercise enhanced oversight on ICT governance. According to the internal audit report, management should also focus on addressing the results of the user account management review.



Internal Audit

The Accounting Officer is obliged, in terms of the PFMA, to ensure that the Department has a system of internal audit under the control and direction of the Audit Committee. In the case of the Gauteng Provincial Government (GPG), the Internal Audit Function is shared amongst Entities and departments in the Province and is accountable to the Audit Committee.

The Internal Audit team was able to execute and finish the majority of risk-based audit projects within the budgeted hours and timelines. The Audit Committee is satisfied that the Internal Audit plan has a clear alignment with the principal risks, has enough coverage of information systems, and strikes a good balance among the various types of audits, i.e. risk-based, required, performance, computer, and follow-up audits.

During the past year, the coordination of efforts between internal audit and the Auditor-General of South Africa to provide assurance services has been increased. The Committee considers this a crucial step toward a fully effective joint assurance system.

A Quality Assurance Review (external assessment) was performed by an external independent reviewer during the year and Internal Audit was assessed to be Generally Conformant with the International Standards for Professional Practice of Internal Auditing.

The Audit Committee will continue to review the Internal Audit function's assigned capacity and resources.

Risk Management

The Audit Committee is responsible for the oversight of the risk management function. The risk management committee reports to the audit committee on the department's management of risk. The Audit Committee has reviewed the risk register and risk committee reports and is generally satisfied with the maturity level of the risk management process; nevertheless, enhancements to processes and policies to address the Department's significant risk exposures are still required. Furthermore, management should ensure that the strategic register for the department is completed on time so that risk mitigation plans may be implemented.

Management should continue to accept full responsibility for the entire Enterprise Risk Management Process and support the Chief Risk Officer in improving the Department's performance even further. The Audit Committee would like to observe ongoing progress in risk management maturity within the Department.

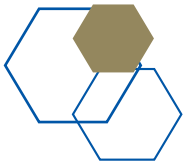
Performance Management

The review of effectiveness and functionality of the performance management system (which includes analysis of management prepared quarterly performance reports and related internal audit reports) by Audit Committee revealed a need to strengthen current performance management and reporting system.

Despite the improvements achieved over the previous year, the Audit Committee notes that the Auditor-General of South Africa has raised a finding on the lack of effective monitoring of processing controls to ensure that the reported performance information is complete and accurate. The Audit Committee intends to provide increased oversight on this issue in order to achieve the desired improvements.

The quality of quarterly reports submitted in terms of the PFMA and the Division of Revenue Act

The Audit Committee reviewed the quality, accuracy, uselessness, reliability and appropriateness of quarterly and annual financial reporting and the Audit Committee is satisfied with the content and quality of financial and non-financial quarterly reports prepared and submitted by the Accounting Officer of the department during the year under review and confirms that the reports were in compliance with the statutory reporting framework. The Audit Committee would like to commend the department for reporting monthly and quarterly to Treasury as is required by the PFMA. The Audit Committee recommends that the department ensure better compliance with section 40(1) of the PFMA, in so far as management's review and monitoring of financial reports and performance information reports.



Compliance with the relevant laws and regulations

During the year, the Audit Committee, Management, Internal Audit, and the Auditor-General of South Africa identified a number of contraventions of the enabling laws and regulations. As a result, the Audit Committee advised that an effective compliance management system be developed and implemented with the purpose of addressing concerns of non-compliance with laws and regulations.

Forensic Investigations

The year under review saw the conclusion of investigations into alleged financial irregularities, financial malfeasance, and fraud. Certain investigations are still in the final stages of completion. Several steps, including action against the implicated officials, were recommended and were being finalised. The remediation of root causes and the management of consequences are in various stages of execution.

Evaluation of Annual Financial Statements

The Audit Committee undertook the following activities related to Annual Financial Statements:

- Audit Committee reviewed the draft annual financial statements prepared by the department before the submission of the annual financial statements to the external auditors for audit the audit committee meeting held on 19th May 2022 and recommended them for audit.
- Reviewed and discussed the following matters relating to the audited Annual Financial Statements to be included in the Annual Report, with the Auditor-General of South Africa and the Accounting Officer:
 - 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 Modified Cash Standards and the PFMA 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 budget variations
 - Reasons for major year-on-year fluctuations.
 - The basis for the going concern assumption, including any financial sustainability risks and issues.
- Reviewed the Audit Report of the Auditor-General of South Africa;
- Reviewed the Auditor-General of South Africa's Management Report and Management's response thereto; and
- Reviewed the Department's compliance with legal and regulatory provisions.

The Audit Committee concurs with and accepts the Auditor-General of South Africa's conclusions on the Annual Financial Statements and is of the opinion that the audited Annual Financial Statements be accepted and read together with the report of the Auditor-General of South Africa.

Evaluation of Annual Report

The Audit Committee undertook the following activities related to annual report:

- Audit Committee evaluated final draft Annual Report (including performance report) the audit committee meeting held on 26th July 2022 and noted the achievement for the year under review and recommended it.



Audit Improvement Plan for 2020/21

On a quarterly basis, the Audit Committee examined and supervised the implementation of prior year audit findings. The Audit Committee believes that there is opportunity for improvement in terms of timely implementation and resolution of external auditor findings, as well as addressing the root-causes of the weaknesses noted by the external auditors.

One-on-One Meeting with the Accounting Officer

Periodically, the Audit Committee has met with the Department's Accounting Officer to discuss concerns and address problematic issues impacting the control environment of the Department.

One-on-One Meetings with the Executive Authority

The Audit Committee has met with the Executive Authority for the Department to apprise the MEC on the performance of the Department.

Conclusion

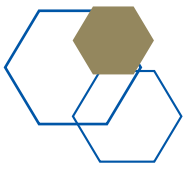
In order to achieve the required effectiveness in governance, accountability, and clean administration, the Audit Committee strongly recommends that the department prioritise root-cause identification and analysis, implementation of consequence management, and regular monitoring of audit action plans for both internal and external audit.

Furthermore, the Audit Committee is encouraged and grateful for the improvement in communication between the Accounting Officer, Senior Management, the Auditor-General of South Africa, and Internal Audit, which, if sustained, can strengthen the Department's Corporate Governance objectives.

Mr Vishnu Naicker

Chairperson of the Audit Committee

11 August 2022



13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

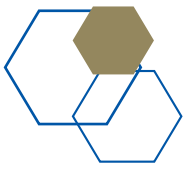
The following table has been completed in accordance with the compliance to the BBEE requirements of the BBEE Act (2013) and as determined by the Department of Trade, Industry and Competition.

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	Not applicable.
Developing and implementing a preferential procurement policy?	Yes	The Department has utilised the Preferential Procurement Regulations 2017.
Determining qualification criteria for the sale of State-owned enterprises?	No	Not applicable.
Developing criteria for entering into partnerships with the private sector?	No	Not applicable.
Determining criteria for the awarding of incentives, grants and investment schemes in support of B-BBEE?	No	Not applicable.

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PART D
HUMAN
RESOURCE
MANAGEMENT



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 continues to strive towards increasing capacity through recruitment and development of technical professionals. This is to provide efficient and effective infrastructure delivery for the Gauteng Province. It should be noted that performance management process for the non-SMS and OSD is guided by the GPCCBC Performance Management Policy. For SMS members it is guided by the Department of Public Service and Administration (DPSA) Chapter 4 of the SMS Handbook. The performance management cycle covers the whole planning cycle of Government, which is from 1 April to 31 March of the following year. The regular performance feedback sessions take place on quarterly basis for the non-SMS members and the half-yearly for SMS members to remedy areas of under-performance and intervention actions to enhance and accelerate exceptional to outstanding performance.

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 and 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	R403 641	R217 613	11,741	0	53.91	R559
Public Works	R2 629 775	R817 740	0	0	31.05	R368
EPWP	R142 993	R115 661	0	0	80.88	R559
Total	R3 176 409	R1 151 014	11,741	0	36.24	R401



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

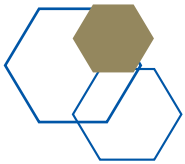
Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	R53,207	5.05	272	R196
Skilled (Levels 3-5)	R281,039	26.67	1092	R257
Highly skilled production (Levels 6-8)	R266,694	25.31	673	R396
Highly skilled supervision (Levels 9-12)	R369,534	35.07	524	R705
Senior and top management (Levels 13-16)	R81,569	7.74	68	R1,200
Interns and learners	R1,648	0.16	47	R35
Total	R1,053,690	100.00	2676	R394

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	R149,929	14.23	R262	0.02	R7,580	0.72	R8,688	0.82
Public Works	R508,610	48.27	R27,026	2.56	R34,378	3.26	R46,763	4.44
EPWP	R17,233	1.64	0.00	0.00	R760	0.07	R808	0.08
Total	R675,772	64.14	R27,288	2.58	R42,717	4.05	R56,259	5.34

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 (Levels 1-2)	R28,336	2.69	R2,361	0.22	R3,708	0.35	R6,261	0.59
Skilled (Levels 3-5)	164,879	15.65	R13,148	1.25	16,413	1.56	R25,569	2.43
Highly skilled production (Levels 6-8)	174,326	16.54	R9,295	0.88	R9,952	0.94	R15,429	1.46
Highly skilled supervision (Levels 9-12)	R255,825	24.28	R2,484	0.24	R9,940	0.94	R8,150	0.77
Senior management (Levels 13-16)	R52,406	4.97	0.00	0.00	R2,704	0.26	R850	0.08
Total	675,772	64.13	R27,288	2.59	R42,717	4.05	R56,259	5.34



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).

The Department 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	407	325	20.15	20
Public Works	2484	2036	18	56
EPWP	46	45	2.17	5
Total	2937	2406	531 (18.1%)	81

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 (Levels 1-2)	431	343	20.42	5
Skilled (Levels 3-5)	944	785	16.84	1
Highly skilled production (Levels 6-8)	419	317	24.34	12
Highly skilled supervision (Levels 9-12)	258	223	13.57	26
OSD: Engineers and related	183	159	13.12	28
OSD: Legal Admin Officers	8	6	25	1
OSD: Artisan	627	512	18.34	4
Senior management (13-16)	67	61	8.96	4
Total	2937	2406	531 (18.1%)	81



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 occupation	627	512	18.34	4
OSD: Engineering and Related Professionals	183	159	13.12	28
OSD: Legal Admin Officer	8	6	25	1
Total	818	677	141 (17.2%)	33

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.
 - d. 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 (SMS) 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 15	4	3	75	1	25
Salary Level 14	13	13	100	0	0
Salary Level 13	49	44	89.79	5	10.20
Total	67	61	91.04	6	8.95

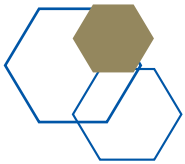


Table 3.3.2 SMS post information as on 30 September 2021

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 15	4	3	75	1	25
Salary Level 14	13	12	75	1	25
Salary Level 13	49	43	87.75	6	12.24
Total	67	61	88.60	8	11.94

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	1	0	0
Salary Level 15	4	3	75%
Salary Level 14	13	11	84.6%
Salary Level 13	49	42	85.7
Total	67	57	85%

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
Posts were not advertised within 6 months due to COE budget constraints.
Reasons for vacancies not filled within twelve months
Vacancies were not filled due to COE budget constraints.

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
Budget constraints. All recruitment process was put on hold. The 2021/2022 Recruitment Plan commenced in October 2021.
Reasons for vacancies not filled within six months
Difficulty in attracting candidates who meet the SMS minimum requirements as determined by DPSA Directive.

Notes

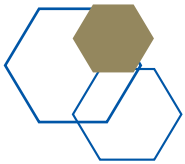
In terms of the Public Service Regulations Chapter 1, Part VII C.1A.2, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes. In the event of non-compliance with this regulation, the relevant executive authority or head of 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)	431	431	100	0	0	0	0
Skilled (Levels 3-5)	944	938	99	0	0	0	0
Highly skilled production (Levels 6-8)	419	393	94	0	0	0	0
Highly skilled supervision (Levels 9-12)	258	211	82	0	0	0	0
Senior Management Service Band A	49	33	67	0	0	0	0
Senior Management Service Band B	13	12	92	0	0	0	0
Senior Management Service Band C	4	2	50	0	0	0	0
Senior Management Service Band D	1	0	0	0	0	0	0
OSD	818	818	100	0	0	0	0
Total	2937	2838	97	0	0	0	0



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
N/A	N/A	N/A	N/A	N/A
Total number of employees whose salaries exceeded the level determined by job evaluation				N/A
Percentage of total employed				N/A

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	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0

Employees with a disability	0	0	0	0	0
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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	0
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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)	359	8	3	1.91%
Skilled (Levels 3-5)	815	15	37	1.81%
Highly skilled production (Levels 6-8)	333	22	24	5.73%
Highly skilled supervision (Levels 9-12)	234	12	14	4.41%
Artisan & related professions	529	19	31	3.53%
OSD (Legal Admin)	7	0	1	0.00%
OSD (Engineers and related professions)	166	36	16	18.93%
Senior Management Service Bands A	45	2	6	5.41%
Senior Management Service Bands B	13	3	0	9.09%
Senior Management Service Bands C	3	1	0	0.00%
Senior Management Service Bands D	1	0	0	0
Contracts	7	1	0	130.00%
Total	2512	128	132	4.17%

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 and machinery	543	9	21	1.66%
Engineering and related professionals	169	5	9	2.96%
TOTAL	712	14	30	1.97%

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.
 - 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	21	0.88
Resignation	53	2.05
Expiry of contract	3	0.12
Dismissal – misconduct	3	0.12
Discharged due to ill-health	1	0.04
Retirement	34	1.4
Transfer to other Public Service Departments	17	0.68
Other	0	0
Total	132	100%
Total number of employees who left as a % of total employment	2487	5.3%

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 and machinery	528	16	3.37%	358	16%
Engineering and related professionals	168	0	00%	78	48%
Total	696	16	3.37%	436	62%

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)	359	0	0%	295	80%
Skilled (Levels 3-5)	815	4	5.87%	656	80%
Highly skilled production (Levels 6-8)	337	15	2.3%	275	80%
Highly skilled supervision (Levels 9-12)	237	13	2.02%	161	72%
Senior management (Level 13-16)	62	4	1.3%	26	47%
Artisan & related professions	529	16	3.37%	358	66%
OSD (Legal Admin)	7	1	0.08%	2	25%
OSD (Engineers and related professions)	166	0	0%	78	48%
Total	2512	53	15.01%		73%



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	35	2	2	0	24	1	1	0	65
Professionals	107	[	11	6	55	3	3	2	188
Technicians and associate professionals	130	4	0	9	101	4	1	3	252
Clerks	214	3	3	11	281	10	0	23	545
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	370	12	2	37	97	0	0	0	518
Plant and machine operators and assemblers	270	7	0	10	123	1	0	0	411
Elementary occupations	292	4	0	5	206	1	0	0	508
Total	1418	33	18	78	887	20	5	28	2487
Employees with disabilities	39	2	0	6	13	1	0	3	64

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	3	0	0	0	2	0	0	0	5
Senior management	32	2	2	0	22	1	1	0	60
Professionally qualified and experienced specialists and mid-management	287	7	11	27	159	7	4	5	507
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	454	12	4	32	263	7	0	9	781
Semi-skilled and discretionary decision making	461	6	1	18	282	4	0	14	786
Unskilled and defined decision making	181	6	0	1	159	1	0	0	348
Total	1418	33	18	78	897	18	4	28	2487

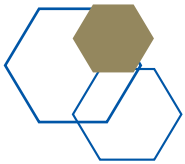


Table 3.6.3 Recruitment for the period 1 April 2021 to 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	0	0	0	0	1	0	0	0	1
Senior management	4	0	1	0	3	0	0	0	8
Professionally qualified and experienced specialists and mid-management	38	0	2	0	24	0	2	1	67
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	30	0	0	0	24	0	0	0	54
Semi-skilled and discretionary decision making	9	0	0	0	7	0	0	0	16
Unskilled and defined decision making	3	0	0	0	5	0	0	0	8
Total	84	0	3	0	64	1	2	1	154
Employees with disabilities	0	0	0	0	0	0	0	0	0

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	0	0	0	0	0	0	0	0	0
Senior management	2	0	0	0	0	0	0	0	2
Professionally qualified and experienced specialists and mid-management	4	0	0	0	4	0	0	0	8
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	9	0	0	0	9	0	0	0	18
Semi-skilled and discretionary decision making	2	0	0	0	2	0	0	0	4
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	17	0	0	0	15	0	0	0	32
Employees with disabilities	0	0	0	0	0	0	0	0	0



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

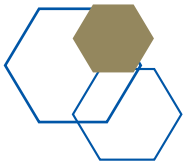
Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	2	0	0	0	1	0	0	0	3
Senior management	54	0	0	1	8	0	0	0	63
Professionally qualified and experienced specialists and mid-management	10	0	0	1	11	1	0	1	24
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	23	0	0	4	7	0	2	0	36
Semi-skilled and discretionary decision making	5	0	0	0	1	0	0	0	6
Unskilled and defined decision making	94	0	0	6	28	1	2	1	132
Total	0	0	0	0	0	0	0	0	0
Employees with Disabilities	2	0	0	0	1	0	0	0	3

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	
	143	2	0	4	76	5	0	1	231

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	African	Coloured	Indian	White	
Legislators, senior officials and managers	87	4	5	0	40	3	2	0	141
Professionals	229	4	10	5	146	4	3	2	403
Technicians and associate professionals	101	3	10	10	57	5	3	1	190
Clerks	207	11	2	0	363	7	0	2	592
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	183	3	0	9	121	0	0	0	316
Plant and machine operators and assemblers	37	0	0	0	25	0	0	0	62
Elementary occupations	71	1	0	1	60	1	0	0	134
Total	915	26	27	25	812	20	8	5	1 838
Employees with disabilities	10	0	0	0	6	0	0	0	16



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-16	1	1	1	100%
Salary Level 15	4	3	2	67%
Salary Level 14	13	12	11	92%
Salary Level 13	49	45	45	100%
Total	67	61	59	97%

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 May 2021

Reasons
2 SMS Members were seconded • 1x DDG – Dept of COGTA • 1 x Chief Director – Dept of Health

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

Reasons
None



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	1517	2282	66%	4792400	3159
Male	559	851	66%	1767400	3162
Female	958	1431	67%	3025000	3158
Asian	7	18	39%	35500	5071
Male	2	4	50%	13100	6550
Female	5	14	36%	22400	4480
Coloured	25	51	49%	84400	3376
Male	9	17	53%	27900	3100
Female	16	34	47%	56500	3531
White	60	112	54%	186000	3100
Male	12	27	44%	37200	3100
Female	48	85	56%	148800	3100
Total	1609	2463	65%	5098300	3169

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)	189	267	71%	585900	3100	12%
Skilled (Levels 3-5)	566	845	67%	1754600	3100	36%
Highly skilled production (Levels 6-8)	232	359	65%	719200	3100	15%
Highly skilled supervision (Levels 9-12)	136	240	57%	421600	3100	9%
Artisan and related professionals	426	539	79%	1320600	3100	27%
Engineering and related professionals	41	155	26%	127100	3100	3%
OSD (Legal Personnel)	3	5	60%	9300	3100	0%
Total	1593	2410	66%	4938300	3100	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
Artisan and related professionals	426	539	79%	1320600	3100
Engineering and related professionals	41	155	26%	127100	3100
Total	467	732	64%	1447700	3100

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.
 - d. 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	11	40	28%	110000	10000	69%
Band B	5	11	45%	50000	10000	31%
Band C	0	4	0%	0	0	0
Band D	0	1	0%	0	0	0
Total	16	56	29%	160000	10000	100%



3.10 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	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0	0	0
Contract (Levels 9-12)	0	0	0	0	0	0
Contract (Levels 13-16)	0	0	0	0	0	0
Total	0	0	0	0	0	0

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
0	0	0	0	0	0	0

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 2021

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 Skilled (Levels 1-2)	536	32	90	13	6	R154 799.27
Skilled (Levels 3-5)	1812	31	298	43	6	R765 613.14
Highly skilled production (Levels 6-8)	1044	33	160	24	7	R780 544.43
Highly skilled supervision (Levels 9 -12)	768	26	119	18	6	R1 384 960.92
Top and Senior Management (Levels 13-16)	91	30	20	3	5	R312 175.91
Total	4251	31	687	100	6	R3 398 093.67



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

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)	0	0	0	0	0	0
Skilled (Levels 3-5)	58	100	4	0,4	15	R 23 605,36
Highly skilled production (Levels 6-8)	211	100	2	0,2	106	R 159 259,78
Highly skilled supervision (Levels 9-12)	179	100	3	0,3	60	R 433 736,10
Senior management (Levels 13-16)	0	0	0	0	0	0
Total	448	100	9	100	50	R 616 601,24

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 2021

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	3987	237	17
Skilled (Levels 3-5)	16959	991	17
Highly skilled production (Levels 6-8)	10996	629	17
Highly skilled supervision (Levels 9-12)	8488	476	17
Senior management (Levels 13-16)	1117	63	18
Total	41547	2396	17

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

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)	9	2	4.5	55
Highly skilled production (Levels 6-8)	15	2	7.5	68
Highly skilled supervision (Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0
Total	24	4	6	123

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



Table 3.10.5 Leave payouts for the period 1 April 2021 and 31 March 2022

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2021/22 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave payouts on termination of service for 2021/22	R1 314 537.36	26	R50 559.12
Current leave payout on termination of service for 2021/22	R830 419.05	47	R17 668.49
Total	R2 144 956.41	73	R29 382.96

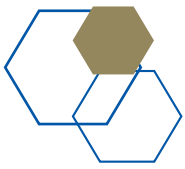
3.11 HIV/AIDS & Health Promotion Programmes

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
The DID employees who work in the Department of Health facilities come into contact with patients/ members of public suffering from a variety of diseases such as TB, etc.	No incidents of such nature took place.

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.	✓		Mr. Theledi: Director: HRP and Employee Wellbeing
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.	✓		The Department has an Employee Health and Wellness Programme Unit at Head Office and in all regional offices. The unit has 12 personnel and the budget allocated was R 3 628 000.00 and the unit will be using R2394 931,36 as at 31 March 2022.



Question	Yes	No	Details, if yes
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.	✓		Employee assistance is implemented through the wellness management pillar as per the EHW Strategic Framework for DPSA. The Department has no service provider, pending SCM processes. The Department is implementing the health and productivity management pillar and a policy is in place. The services for wellness management include: • Promotion of individual physical wellness. • Provision of individual psycho-social support. • Provision of organisational wellness. • Provision of work-life balance. The health and productivity services include: • Provision of support to employees who are undergoing incapacity and ill health retirement processes. • Ensure management of mental health. • Ensure management of non-communicable and communicable diseases. • The HIV and AIDS, STI and TB management services are in place. • Provision of voluntary testing and counselling. • Implementation of a peer education programme. • Distribution of condoms. • Commemoration of Health calendar of events.
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.	✓		Peer Educator Committee: • Rejoice Matlala • Tshepo Khuzani • Rondis Matroos • T.P Malepe • Christopher Mashau • Lerato Kgwadi • Nolwandle Nyubantya • Elias Mphande • Joyce Chabalala • Suzan Koae • Herrieth Manyapwe • J.Teffo • Seipati kele • Lesego Molwelang • Phindi Gule • Phethile Masango • Oupa Matinye • Nobayeni Velaphi • Kgomoitso Ntsoko • Thandazile Matsaneng • Elsie Lekagane • Ketse Moja • Nthathi Dhlamini • Feziwe Bacela • Khezia Senne • Sibongile Mkhwanazi • Vusumuzi Mkhwanazi
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.	✓		The Department has reviewed the following policies which ensures protection against employees on the basis of HIV: • HIV/AIDS and TB Management • Wellness Management • SHERQ Management • Health and Productivity Management.



Question	Yes	No	Details, if yes
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 HIV/AIDS and TB Management • Policy is available to mitigate against stigma and discrimination. • Advocacy sessions are held to discuss a variety of chronic illness (including HIV/AIDS), human rights issues. • Information on HIV/AIDS is shared as part of employee induction of new employees. • Health screenings including HIV/AIDS by an external service provider (GEMS) is done anonymously. • The Department is in the process of procuring a service provider in support of HIV employees, among others which guarantees privacy, confidentiality and convenience to provide support and management.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	✓		Voluntary Counselling and Testing is planned and conducted twice a year as part of health screenings. • Health Risk Assessment by GEMS – 137 employees participated in Tshwane, Tulusa Park, Springs, Sedibeng and Westhoben.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	✓		• Percentage of employees provided with wellness interventions to improve employee performance and wellbeing. • Number of EHWP awareness sessions conducted. • Reduced number of management of communicable and non-communicable illness in the Department.

3.12 Labour Relations

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

Subject matter	Date
None	

Notes

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

Total number of collective agreements	0
---------------------------------------	---

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

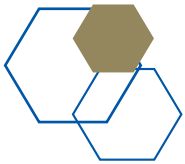


Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2021 and 31 March 2022

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	2	1
Verbal warning	10	4
Written warning	135	58
Final written warning	12	5
Suspended without pay	4	2
Fine	0	0
Demotion	0	0
Dismissal	5	2
Not guilty	1	0.4
Case withdrawn	1	0.4
Case closed	63	27
Total	164	100

Notes

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

Total number of disciplinary hearings finalised	38
---	----



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
Non-Disclosure	80	35
Absenteeism/Abscondment	25	11
Theft	0	0
Failure to carryout lawful instruction	8	3
Misuse of GG vehicle	2	1
Assault	0	0
Fraud	1	0.4
Improper behaviour	9	9
Insubordination	0	0
Negligence	6	3
Poor work performance	1	0.4
Failure to comply with Acts and regulations	0	0
Irregular expenditure	11	5
Threats and intimidation	1	0.4
Conduct business with the state	76	32
Perform remunerative work without approval	0	0
Procurement Irregularities	8	3
Extension of work without an approval of the CD	0	0
Dereliction of duty	3	1.2
Total	231	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	56	79%
Number of grievances not resolved	15	21%
Total number of grievances lodged	71	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 upheld	2	50%
Number of disputes dismissed	0	0
Number of disputes pending	2	50%
Total number of disputes lodged	4	100%

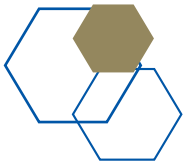


Table 3.12.6 Strike actions for the period 1 April 2021 and 31 March 2022

Total number of persons working days lost	0
Total costs working days lost	0
Amount recovered as a result of no work no pay (R'000)	0

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

Number of people suspended	9
Number of people whose suspension exceeded 30 days	6
Average number of days suspended	40
Cost of suspension(R'000)	R 1 831 135.27

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	Number of employees as at 1 April 2021	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	20	0	16	0	16
	Male	36	0	14	0	14
Professionals	Female	53	0	40		40
	Male	115	0	100		100
Technicians and associate professionals	Female	97	0	16		16
	Male	144	0	62		62
Clerks	Female	474	0	416		416
	Male	694	0	200		200
Service and sales workers	Female	0	0	0		0
	Male	0	0	0		0
Skilled agriculture and fishery workers	Female	0	0	0		0
	Male	0	0	0		0
Craft and related trades workers	Female	97	0	80		80
	Male	446	0	320		320
Plant and machine operators and assemblers	Female	0	0	42		42
	Male	0	0	62		62
Elementary occupations	Female	161	0	99		99
	Male	208	0	125		125
Sub total	Female	902	0	709		709
	Male	1643	0	883		883
Total		2545	0	1592		1592



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

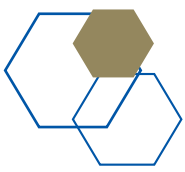
Occupational category	Gender	Number of employees as at 1 April 2021	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	23	0	45	0	45
	Male	39	0	93	1	94
Professionals	Female	51	0	108	8	116
	Male	117	0	176	14	190
Technicians and associate professionals	Female	151	0	25	25	50
	Male	213	0	65	27	92
Clerks	Female	262	0	325	7	332
	Male	172	0	181	9	190
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	94	0	114	7	121
	Male	434	0	174	13	187
Plant and machine operators and assemblers	Female	119	0	16	3	19
	Male	303	0	28	1	29
Elementary occupations	Female	217	0	32	8	40
	Male	317	0	35	8	43
Sub total	Female	917	0	665	58	723
	Male	1595	0	752	73	825
Total		2512	0	1417	131	1548

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	08	08
Temporary total disablement	0	0
Permanent disablement	0	0
Fatal	0	0
Total	08	08



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:

- The rendering of expert advice.
- The drafting of proposals for the execution of specific tasks.
- 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
Leave Management	X1	237 working days (Pillar) (9 months)	R 197 505.00
Recruitment and Selection	X5	104 working days for recruitment agencies (4 months)	R 2 690 659.56

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
Leave Management	Proactive Health Solution (Pillar)	100% Black 0% Female 0% Youth 0% Disability	X 1
Recruitment and Selection	Phulo	100% Black 100% Women 0% Youth 0% Disability	X 5
	Tag me	100% Black 100% Women 0% Youth 0% Disability	

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Recruitment and Selection	Phaki	100% Black 100% Women 0% Youth 0% Disability	
	Isilumko	100% Black 100% Women 0% Youth 0% Disability	
	Holistic	30% Black 60% Women 0% Youth 0% Disability	



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
Leave Management	X 1	237 work days	R 197 505.00
Recruitment and Selection	X 5	104 work days	R 2 690 659.56

Total number of projects	Total individual consultants	Total duration (Work days)	Total contract value in Rand
21 appointments done	X 5	104 work days	R 2 690 659.56
Leave management	X 1	237 work days	R 197 505.00

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
Leave Management	Proactive Health solutions 100%	100% Black 0% Female 0% Youth 0% Disability	X 1
Recruitment and Selection	100%	Tag Me	X 5
		Phulo	
		Phaki	
		Isiliumko	
		Hoslistic	

3.16 Severance Packages

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

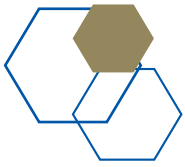
Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (Levels 1-2)	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision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





PART E

FINANCIAL INFORMATION



1. REPORT OF THE AUDITOR-GENERAL

Report of the auditor-general to the Gauteng Provincial Legislature on vote no. 15: Gauteng Department of Infrastructure Development

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Gauteng Department of Infrastructure Development set out on pages 185 to 240, 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 Gauteng Department of Infrastructure Development 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 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 the financial statements section of my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Subsequent event

7. With reference to note 27 of the financial statements, on 30 May 2022, a fire broke out at Steve Biko Academic Hospital in Pretoria resulting in damage to the temporary storage area for covid-19 medical waste and an in-transit corpse area. An estimate of the financial effect cannot be made.

Significant uncertainty relating to contingent liabilities

8. With reference to note 16.1 to the financial statements, the department is the defendant in various lawsuits amounting to R343 414 000 (2021: R372 403 000). The ultimate outcome of the matters cannot presently be determined and no provision for any liability that may result has been made in the financial statements.

Other matter

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

Unaudited supplementary schedules

10. The supplementary information set out on pages 241 to 250 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.



Responsibilities of the accounting officer for the financial statements

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

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

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

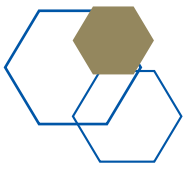
Report on the audit of the annual performance report

Introduction and scope

15. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
16. My procedures address the usefulness and reliability of the reported performance information, which must be based on the department's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the department enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
17. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes 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	44 – 51

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



19. I did not identify any material findings on the usefulness and reliability of the reported performance information for this programme:
- Programme 2 – public works.

Other matters

20. I draw attention to the matters below.

Achievement of planned targets

21. Refer to the annual performance report on pages 40 to 56 for information on the achievement of planned targets for the year and management's explanations provided for the under/over achievement of targets.

Adjustment of material misstatements

22. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of Programme 2 – Public Works. 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

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

Expenditure management

25. Payments were not made within 30 days or an agreed period after receipt of an invoice, as required by TR 8.2.3.
26. Effective steps were not taken to prevent irregular expenditure amounting to R339 600 000, as disclosed in note 21 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the irregular expenditure was caused by supply chain management (SCM) processes not being followed, amounting to R125 343 000.
27. Effective steps were not taken to prevent fruitless and wasteful expenditure amounting to R21 536 000, as disclosed in note 22 to the annual financial statements, as required by section 38(1) (c) (ii) of the PFMA and treasury regulation 9.1.1. The majority of the fruitless and wasteful expenditure was caused by interest expense that was paid by the department which amounted to R21 500 000.
28. Department resources were not used economically, as required by section 38(1)(b) of the PFMA. The department incurred capital expenditure in the refurbishment on a private hospital in which a lease agreement was not yet renewed after it expired.

Procurement and contract management

29. Some goods and services of a transaction value above R500 000 (up to 31 July 2021) and above R1 000 000 (from 1 August 2021) were procured without inviting competitive bids and deviations were approved by the accounting officer despite it being practical to invite competitive bids, as required by treasury regulation 16A6.1 and paragraph 3.4.1 of National Treasury Practice Note 8 of 2007-08 (up to 31 July 2022) and paragraph 3.3.1 of National Treasury SCM Instruction Note 2 of 2021-22 (from 1 August 2021) and treasury regulation 16A6.4. Similar non-compliance was also reported in the prior year.



30. In a material number of instances, I was unable to obtain sufficient appropriate audit evidence that at least three written price quotations were obtained, as required by treasury regulation 16A6.1, paragraph 3.3.1 of National Treasury Practice Note 8 of 2007-08 and paragraph 3.2.1 of National Treasury SCM Instruction Note 2 of 2021-22.

Other information

31. 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.
32. 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.
33. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programme presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
34. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

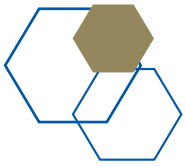
35. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on compliance with legislation included in this report.
36. The accounting officer did not adequately exercise oversight responsibility of monitoring compliance with key legislation, resulting in non-compliance with applicable legislation. Action plans were not regularly and adequately monitored to ensure that the recommendations from prior year external and internal audits are implemented.

Material irregularities

37. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit.

Material irregularity in progress

38. I identified a material irregularity during the audit and notified the accounting officer of this, as required by material irregularity regulation 3(2). By the date of this auditor's report, the responses of the accounting officer was not yet due. This material irregularity will be included in the next year's auditor's report.



Other reports

39. 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, reported performance information, 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.
40. The department initiated various investigations to probe alleged financial irregularities, financial misconduct and fraud that may have taken place at the department. These investigations were not yet finalised at the date of this auditor's report.

Auditor General

Johannesburg

31 July 2022



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 Gauteng Department of Infrastructure Development 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 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.

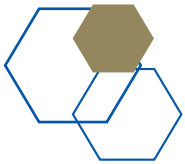
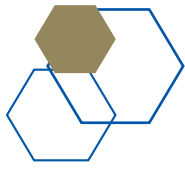


Table of Contents

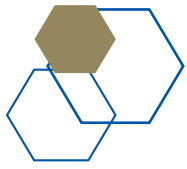
Appropriation Statement	185
Notes to the Appropriation Statement	191
Statement of Financial Performance	193
Statement of Financial Position	194
Statement of Changes in Net Assets	195
Cash Flow Statement	196
Notes to the Annual Financial Statements (including Accounting policies)	197
Annexures	241



APPROPRIATION STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

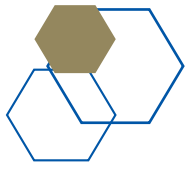
Appropriation per programme										
2021/22							2020/21			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
Programme	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
1. ADMINISTRATION	468 108	-	(37 449)	430 659	403 641	27 018	94	371 392	315 008	
2. PUBLIC WORKS INFRASTRUCTURE	2 599 635	-	51 951	2 651 586	2 629 775	21 811	99	2 665 871	2 657 579	
3. Expanded Public Works Programme	181 277	-	(14 502)	166 775	142 993	23 782	86	160 508	55 745	
TOTAL	3 249 020	-	-	3 249 020	3 176 409	72 611	98	3 197 771	3 028 332	

2021/22						2020/21	
	Final Appropriation	Actual Expenditure				Final Appropriation	Actual Expenditure
TOTAL (brought forward)							
Reconciliation with statement of financial performance							
ADD							
Departmental receipts	16 893				15 905		
Actual amounts per statement of financial performance (total revenue)	3 265 913				3 213 676		
Actual amounts per statement of financial performance (total expenditure)		3 176 409					3 028 332



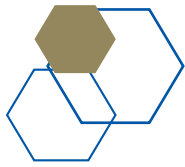
APPROPRIATION STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

Appropriation per economic classification									
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
Economic classification									
Current payments	2 137 939	(576)	-	2 137 363	2 104 823	32 540	99	2 015 376	1 848 209
Compensation of employees	1 164 829	6 187	2 071	1 173 087	1 151 014	22 073	98	1 080 921	1 011 818
Goods and services	973 010	(28 163)	(2 071)	942 776	932 309	10 467	99	934 388	836 391
Interest and rent on land	100	21 400	-	21 500	21 500	-	100	67	1
Transfers and subsidies	1 030 376	876	-	1 031 252	1 031 251	1	100	1 094 263	1 093 610
Provinces and municipalities	1 025 376	(28)	-	1 025 348	1 025 348	-	100	1 089 927	1 089 927
Households	5 000	904	-	5 904	5 903	1	100	4 334	3 682
Payments for capital assets	80 505	(868)	-	79 637	39 567	40 070	50	87 482	85 872
Buildings and other fixed structures	50 415	-	-	50 415	10 143	40 272	20	57 509	57 509
Machinery and equipment	30 090	(1 681)	-	28 409	28 463	(202)	100	27 823	26 217
Intangible assets	-	813	-	813	813	-	-	2 150	2 146
Payments for financial assets	200	568	-	768	768	-	-	650	641
TOTAL	3 249 020	-	-	3 249 020	3 176 409	72 611	98	3 197 771	3 028 332



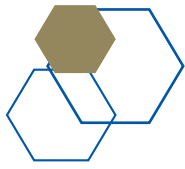
APPROPRIATION STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

Appropriation per economic classification									
	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
Economic classification									
Current payments	2 137 939	(576)	-	2 137 363	2 104 970	32 393	98	2 015 376	1 848 209
Compensation of employees	1 164 829	6 187	2 071	1 173 087	1 151 013	22 074	98	1 080 921	1 011 818
Goods and services	973 010	(28 163)	(2 071)	942 776	932 457	10 319	99	934 388	836 391
Interest and rent on land	100	21 400	-	21 500	21 500	-	100	67	1
Transfers and subsidies	1 030 376	876	-	1 031 252	1 031 251	1	100	1 094 263	1 093 610
Provinces and municipalities	1 025 376	(28)	-	1 025 348	1 025 348	-	100	1 089 927	1 089 927
Households	5 000	904	-	5 904	5 903	1	100	4 334	3 682
Payments for capital assets	80 505	(868)	-	79 637	39 420	40 217	49	87 482	85 872
Buildings and other fixed structures	50 415	-	-	50 415	10 143	40 272	20	57 509	57 509
Machinery and equipment	30 090	(1 681)	-	28 409	28 464	(55)	100	27 823	26 217
Intangible assets	-	813	-	813	813	-	-	2 150	2 146
Payments for financial assets	200	568	-	768	768	-	-	650	641
TOTAL	3 249 020	-	-	3 249 020	3 176 409	72 611	98	3 197 771	3 028 332



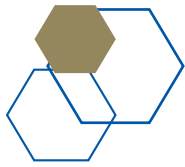
APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

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	12 634	228	-	12 862	12 747	115	99	16 465	16 269
2. Corporate Support	438 016	397	(37 449)	400 964	377 430	23 534	94	341 751	286 410
3. Management of the Department	17 458	(625)	-	16 833	13 464	3 370	80	13 176	12 328
Total for sub programmes	468 108	-	(37 449)	430 659	403 641	27 018	94	371 392	315 008
Economic classification									
Current payments	436 760	2 411	(37 449)	401 722	374 650	27 072	93	339 980	285 506
Compensation of employees	292 523	-	(37 449)	255 074	217 613	37 461	85	236 182	202 277
Goods and services	144 137	2 511	-	146 648	157 037	(10 389)	107	103 759	83 230
Interest and rent on land	100	(100)	-	-	-	-	-	39	-
Transfers and subsidies	1 058	375	-	1 433	1 433	-	100	912	616
Households	1 058	375	-	1 433	1 433	-	100	912	616
Payments for capital assets	30 090	(3 354)	-	26 736	26 790	(54)	100	29 850	28 244
Machinery and equipment	30 090	(4 167)	-	25 923	25 977	(54)	100	27 700	26 098
Intangible assets	-	813	-	813	813	-	100	2 150	2 146
Payments for financial assets	200	568	-	768	768	-	100	650	641
	468 108	-	-	430 659	403 641	27 018	94	371 392	315 008



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. Construction	210 756	89	14 502	225 347	196 170	29 177	87	229 693	226 977
2. Maintenance	596 486	32 160	37 449	666 095	673 474	(7 379)	101	636 347	635 014
3. Immovable Asset Management	1 792 393	(32 249)	-	1 760 144	1 760 131	13	100	1 799 831	1 795 587
Total for sub programmes	2 599 635	-	51 951	2 651 586	2 629 775	21 811	99	2 665 871	2 657 579
Economic classification									
Current payments	1 520 002	(3 079)	51 951	1 568 874	1 578 332	(18 458)	101	1 515 101	1 506 970
Compensation of employees	743 812	5 542	51 951	801 305	817 740	(16 435)	102	761 890	757 978
Goods and services	776 190	(30 121)	-	746 069	748 092	(2 023)	100	753 183	748 991
Interest and rent on land	-	21 500	-	21 500	21 500	-	100	28	1
Transfers and subsidies	1 029 218	593	-	1 029 811	1 029 815	(4)	100	1 093 151	1 092 994
Provinces and municipalities	1 025 376	(28)	-	1 025 348	1 025 348	-	100	1 089 927	1 089 927
Households	3 842	621	-	4 463	4 467	(4)	100	3222	3 066
Payments for capital assets	50 415	2 486	-	52 901	12 777	40 124	24	57 619	57 616
Buildings and other fixed structures	50 415	-	-	50 415	10 143	40 272	20	57 509	57 509
Machinery and equipment		2 486		2 486	2 634	(148)	106	110	107
Total	2 599 635	-	51 951	2 651 586	2 629 775	21 811	99	2 665 871	2 657 579



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 CBP	26 368	(540)	-	25 828	20 276	5 552	79	101 508	19 845
2. COMMUNITY DEVELOPMENT	154 909	540	(14 502)	140 947	122 717	18 230	87	59 000	35 900
Total for sub programmes	181 277	-	(14 502)	166 775	142 993	23 782	86	160 508	55 745
Economic classification									
Current payments	181 177	92	(14 502)	166 767	142 990	23 777	86	160 295	55 733
Compensation of employees	128 494	645	(12 431)	116 708	115 661	1 047	99	82 849	51 563
Goods and services	52 683	(553)	(2 071)	50 059	27 329	22 730	55	77 446	4 170
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	100	(92)	-	8	3	5	35	200	-
Households	100	(92)	-	8	3	5	35	200	-
Payments for capital assets	-	-	-	-	-	-	-	13	12
Machinery and equipment	-	-	-	-	-	-	-	13	12
Total	181 277		(14 502)	166 775	142 993	23 782	86	160 508	55 745

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

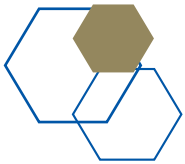
Detail of these transactions per programme can be viewed in the note on Payments for financial assets to the Annual Financial Statements.

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

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
4.1 Per programme	R'000	R'000	R'000	%
Programme 1	430 659	403 641	27 018	6
Programme 2	2 651 586	2 629 775	21 811	1
Programme 3	166 775	142 993	23 782	14
Total	3 249 020	3 178 409	72 611	2

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Current payments	2 137 363	2 104 823	32 540	2
Compensation of employees	1 173 087	1 151 014	22 073	2
Goods and services	942 776	932 309	10 467	1
Interest and rent on land	21 500	21 500	-	-
Transfers and subsidies	1 031 252	1 031 251	1	-
Provinces and municipalities	1 025 348	1 025 348	-	-
Households	5 904	5 903	1	-
Payments for capital assets	79 637	39 567	40 070	50
Buildings and other fixed structures	50 415	10 143	40 272	20
Machinery and equipment	28 409	28 463	(202)	-1
Intangible assets	813	813	-	-
Payments for financial assets	768	768	-	100

The Department final budget allocation for the financial year 2021/22 was R3.2 billion, with R3.1 billion or 98% of the budget having been spent. The R72 million or 2% underspending is as a result of underspending of R14 million on compensation of employees, R19 million related to goods and services while R40 million related to implementation of infrastructure projects.



NOTES TO THE APPROPRIATION STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

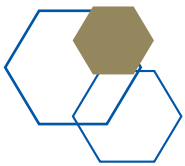
4.3 Per conditional grant	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
EPWP Incentive Grant	18 988	18 988	-	-

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MARCH 2022



	Note	2021/22		2020/21
		R'000		R'000
REVENUE				
Annual appropriation	1	3 249 020		3 197 771
Departmental revenue	2	16 893		15 905
TOTAL REVENUE		3 265 913		3 213 676
EXPENDITURE				
Current expenditure				
Compensation of employees	3	1 151 014		1 011 818
Goods and services	4	932 309		836 392
Interest and rent on land	5	21 500		1
Total current expenditure		2 104 823		1 848 211
Transfers and subsidies				
Transfers and subsidies	7	1 031 251		1 093 610
Total transfers and subsidies		1 031 251		1 093 610
Expenditure for capital assets				
Tangible assets	8	38 754		83 724
Intangible assets	8	813		2 146
Total expenditure for capital assets		39 567		85 870
Payments for financial assets	6	768		641
TOTAL EXPENDITURE		3 176 409		3 028 332
SURPLUS/(DEFICIT) FOR THE YEAR		89 504		185 344

Reconciliation of Net Surplus/(Deficit) for the year				
Voted funds		72 611		169 439
Annual appropriation		72 611		169 439
Departmental revenue and NRF Receipts	12	16 893		15 905
SURPLUS/(DEFICIT) FOR THE YEAR		89 504		185 344



STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2022

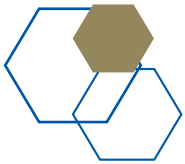
	Note	2021/22		2020/21
		R'000		R'000
ASSETS				
Current assets		99 261		239 139
Cash and cash equivalents	9	62 113		217 418
Receivables	10	37 148		21 721
TOTAL ASSETS		99 261		239 139
LIABILITIES				
Current liabilities		99 144		238 962
Voted funds to be surrendered to the Revenue Fund	11	72 606		169 434
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	12	18 116		18 808
Payables	13	8 422		50 720
TOTAL LIABILITIES		99 144		238 962
NET ASSETS		117		177

	Note	2021/22		2020/21
		R'000		R'000
Represented by:				
Recoverable revenue		117		177
TOTAL		117		177



STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2021/22		2020/21
		R'000		R'000
Recoverable revenue				
Opening balance		177		570
Transfers:		(60)		(393)
Debts recovered (included in departmental receipts)		(155)		(254)
Debts raised		95		(139)
Closing balance		117		177
TOTAL		117		177



CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2021/22		2020/21
		R'000		R'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts		3 265 913		3 213 676
Annual appropriated funds received	1.1	3 249 020		3 197 771
Departmental revenue received	2	16 858		15 402
Interest received	2.3	35		503
Net (increase)/decrease in working capital		(57 725)		10 128
Surrendered to Revenue Fund		(187 024)		(97 374)
Current payments		(2 083 323)		(1 848 210)
Interest paid	5	(21 500)		(1)
Payments for financial assets		(768)		(641)
Transfers and subsidies paid		(1 031 251)		(1 093 610)
Net cash flow available from operating activities	14	(115 678)		183 968
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for capital assets	8	(39 567)		(85 870)
Net cash flows from investing activities		(39 567)		(85 870)
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase/(decrease) in net assets		(60)		(393)
Net cash flows from financing activities		(60)		(393)
Net increase/(decrease) in cash and cash equivalents		(155 305)		97 705
Cash and cash equivalents at beginning of period		217 418		119 713
Cash and cash equivalents at end of period	9	62 113		217 418



PART A: ACCOUNTING POLICIES

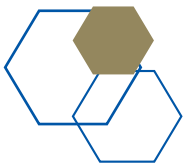
Summary of significant accounting policies

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.
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

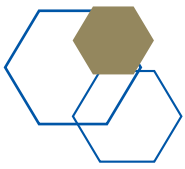


NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

7.1	Appropriated funds Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation). Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective. The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.
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.
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.
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.
9.2	Aid assistance paid Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.
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. The department recognises a prepayment or an advance in the statement of financial performance in accordance with Chapter 8 on Expenditure if the prepayment or the advance is material and was budgeted for as an expense in the year in which the actual prepayment or advance was made
12	Loans and receivables Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.

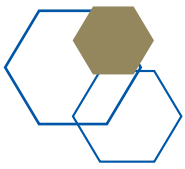


NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

13	Investments Investments are recognised in the statement of financial position at cost.
14	Financial assets
14.1	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.
14.2	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.
15	Payables Payables recognised in the statement of financial position are recognised at cost.
16	Capital Assets
16.1	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.
16.2	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 2002 (or a later date as approved by the OAG) may be recorded at R1. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Biological assets are subsequently carried at fair value. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.



16.3	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 2002 (or a later date as approved by the OAG) may be recorded at R1. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.
16.4	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.
17	Provisions and Contingents
17.1	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.
17.2	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.
17.3	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.
17.4	Capital commitments Capital commitments are recorded at cost in the notes to the financial statements.

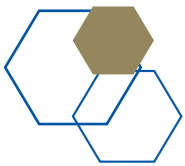


NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

18	Unauthorised expenditure Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either: • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • transferred to receivables for recovery. Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.
19	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.
20	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.
21	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.
22	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.
23	Departures from the MCS requirements Management has concluded that the financial statements present fairly the department's primary and secondary information and the department complied with the standard regulated within modified cash basis of accounting principles.



24	Capitalisation reserve The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period, but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the Provincial Revenue Fund when the underlying asset is disposed, and the related funds are received.
25	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.
26	Related party transactions Related party transactions within the Minister/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.
27	Inventories At the date of acquisition, inventories are recognised at cost in the statement of financial performance. Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition. Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value. The cost of inventories is assigned by using the weighted average cost basis.
28	Public-Private Partnerships Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies. A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.
29	Employee benefits The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.
30	Transfer of functions Transfer of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer. Transfer of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.
31	Mergers Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger. Mergers are accounted for by the combining departments by derecognising or removing assets and liabilities at their carrying amounts at the date of the merger.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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	Actual Funds Received	Funds not requested/not received	Final Appropriation	Appropriation received	Funds not requested /not received
	R'000	R'000	R'000	R'000	R'000	
Administration	430 659	430 659	-	371 392	371 392	-
Public works	2 651 586	2 651 586	-	2 665 871	2 665 871	-
EPWP	166 775	166 775	-	160 508	160 508	-
Total	3 249 020	3 249 020	-	3 197 771	3 197 771	-

The Department was allocated R3.2 billion for the year under review and all funds requested were received in full during the year.

1.2 Conditional grants

	Note	2021/22		2020/21
		R'000		R'000
Total grants received	32	18 988		21 163

Conditional grants are incentive grants given to the EPWP. The grant has decreased from R21,1 million to R18,9 million as a result of budget adjustments that took place because of fewer trainings conducted as a result of the Covid-19 pandemic restrictions.

- The grant allocation for the 2021/22 financial year was fully utilized, however, the Conditional Grant has been declining over the years.
- Conditional grants are allocated based on the duration of the projects implemented and the Full Time Equivalents (FTE-230 days of work) over the previous period.
- During 2020/2021 and 2021/2022 the scale and duration of projects was limited due to Covid limitation of numbers within working and training spaces.



2. Departmental revenue

	Note	2021/22		2020/21
		R'000		R'000
Sales of goods and services other than capital assets	2.1	15 953		12 374
Interest, dividends and rent on land	2.2	35		503
Transactions in financial assets and liabilities	2.3	905		3 028
Total revenue collected		16 893		15 905
Less: Own revenue included in appropriation	19			
Departmental revenue collected		16 893		15 905

The revenue collection increase from R15 million to R16 million is as a result of the sale of scrap furniture amounting to R2 million, as well as arrear rentals received from tenants on outstanding rentals from previous year.

2.1 Sales of goods and services other than capital assets

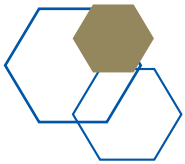
	Note	2021/22		2020/21
	2	R'000		R'000
Sales of goods and services produced by the department		13 936		12 374
Sales by market establishment		13 146		11 578
Administrative fees		-		-
Other sales		790		796
Sales of scrap, waste and other used current goods		2 017		-
Total		15 953		12 374

The increase in revenue is due to the sale of scrap furniture amounting to R2 million during the period under review.

2.2 Interest, dividends and rent on land

	Note	2021/22		2020/21
	2	R'000		R'000
Interest		35		503
Total		35		503

In the prior year, the interest was accumulated from the Trust account that was opened by the Conveyancer in transferring properties bought by the Department. In the current year, the balance relates to interest received on debtors' accounts.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2.3 Transactions in financial assets and liabilities

	Note	2021/22		2020/21
	2	R'000		R'000
Receivables		905		3 028
Total		905		3 028

There is a decrease in the receivables from R3 million to R905 thousand. There was less recovery of debt in the current year as compared to the previous year.

3. Compensation of employees

3.1 Salaries and Wages

	Note	2021/22		2020/21
		R'000		R'000
Basic salary		676 041		650 823
Performance award		6 100		7 228
Service Based		1 217		930
Compensative/circumstantial		124 889		81 288
Periodic payments		3 861		5 083
Other non-pensionable allowances		196 928		131 736
Total		1 009 036		877 088

The increase in salaries and wages is due to salary adjustments in the public service of level 1 to 12 as well as of SMS members in line with the DPSA Resolution.



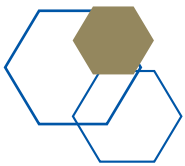
3.2 Social contributions

	Note	2021/22		2020/21
		R'000		R'000
Employer contributions				
Pension		85 482		82 389
Medical		56 185		52 065
Bargaining council		274		261
Insurance		37		15
Total		141 978		134 730
Total compensation of employees		1 151 014		1 011 818
Average number of employees		2 487		2 511

The increase of 13% in compensation of employees is as a result of, the increase in basic salary and other non-pensionable allowances, this is due to salary adjustments (cash allowance), pay progression and service bonus that had to be accounted for during the year under review.

There was an increase in Compensative/Circumstantial and that is due to overtime paid and Stipends for EPWP beneficiaries.

The average number of employees has reduced from 2 511 to 2 487 as a result of natural attrition (Resignation, early retirement, death, transfer and dismissal).



NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

4. Goods and services

	Note	2021/22		2020/21
		R'000		R'000
Administrative fees		67		58
Advertising		4 439		359
Minor assets	4.1	428		207
Bursaries (employees)		89		641
Catering		606		14
Communication		1 507		1 013
Computer services	4.2	22 334		10 381
Consultants: Business and advisory services		17 405		1 167
Legal services		46 887		30 713
Contractors		2 679		642
Agency and support / outsourced services		28 317		2 734
Audit cost – external	4.3	22 930		10 104
Fleet services		39 811		46 725
Inventory	4.4	3 832		1 265
Consumables	4.5	7 800		18 518
Operating leases		494 231		401 161
Property payments	4.6	205 729		293 485
Transport provided as part of the departmental activities		37		290
Travel and subsistence	4.7	15 807		12 380
Venues and facilities		2 579		94
Training and development		13 629		4 231
Other operating expenditure	4.8	1 166		210
Total		932 309		836 392



Goods and services reflect an increase in expenditure due to the payment of accruals carried through from the previous financial year.

- The increase in advertising and marketing costs relate to procurement of signage for regional offices. There was also an increase in advertisement for recruitment and tenders.
- The increase in catering is as a result of increased stakeholder engagements as compared to the previous year.
- The increase in Computer services arises from Prior year outstanding Microsoft licenses that were only settled in the 2021-2022 financial year.
- The increase from R1 167m to R17 405m on Cons: Business and Advisory was due to the probity Audit fees amounting to R14million and R3million for the use of consultants. Probity auditors advise the HOD in terms of the procurement processes.
- There was an increase in legal fees resulting from court orders amounting to R23 million. The court orders were a result of contractual disputes while the Department was still part of DPTRW.
- An increase in agency and support is because of the training and skills development conducted by consultants.
- The increase of Audit cost is due to the investigations that took place during the financial year under review.
- The decrease in fleet services is due to a reduced amount of accrual payments at the beginning of the financial year.
- The increase in Inventory was due to high demand of protective clothing.
- The decrease in consumables was due to less requirement of detergents as compared to the previous financial year where covid-19 regulations enforced for buildings to be sanitized if there were cases identified.
- Arrears on rentals were settled with Bafana Ncube in the current year and there was an annual rental escalation that resulted in an increase in the operating lease expenditure.
- Training and Development: the increase was due to training that was conducted for job specifics.
- Other operating expenditure includes courier and delivery services, professional bodies fees, settlement cost and storage service costs.
- The increase in venues and facilities relates to costs incurred after the relaxation of Covid-19 restrictions on venues and facilities.

4.1 Minor assets

	Note	2021/22		2020/21
	4	R'000		R'000
Tangible assets				
Machinery and equipment		428		207
Total		428		207

4.2 Computer services

	Note	2021/22		2020/21
	4	R'000		R'000
External computer service providers		22 334		10 381
Total		22 334		10 381

The increase is due to additional billing by Microsoft on emails as well as migration of DID servers to SITA hosting.

4.3 Audit cost – External

	Note	2021/22		2020/21
	4	R'000		R'000
Regularity audits		8 425		10 104
Investigations		14 505		-
Total		22 930		10 104

Due to the investigations backlog of prior year irregular expenditure, the Department appointed service providers to fast-track the investigation of historical irregular expenditure balances.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

4.4 Inventory

	Note	2021/22		2020/21
	4	R'000		R'000
Clothing material and accessories		3 826		1 236
Materials and supplies		6		29
Total		3 832		1 265

Protective clothing was procured for staff who were conducting construction site visits in line with the OHS requirements.

4.5 Consumables

	Note	2021/22		2020/21
	4	R'000		R'000
Consumable supplies		3 440		16 600
Uniform and clothing		1 505		2 316
Household supplies		904		12 161
Building material and supplies		383		-
Communication accessories		-		15
IT consumables		203		1 494
Other consumables		445		614
Stationery, printing and office supplies		4 360		1 918
Total		7 800		18 518

The decrease in consumables (Household supplies) is due to the reduction in the procurement of Covid-19 related expenditure such as personnel protective equipment and sanitisers. Other consumables consist of medical supplies

4.6 Property payments

	Note	2021/22		2020/21
	4	R'000		R'000
Municipal services		26 863		12 250
Property maintenance and repairs		56 452		61 946
Other		122 414		219 289
Total		205 729		293 485

The relaxation of Covid-19 restrictions has resulted in more officials physically reporting for duty in the office hence the expenditure for water and electricity has increased under municipal services. The other on Property payments is made up of cleaning, security, and fumigation services



4.7 Travel and subsistence

	Note	2021/22		2020/21
	4	R'000		R'000
Local		15 807		12 380
Total		15 807		12 380

The increase in travel and subsistence is due to an increased number of project site visits by officials after relaxation of Covid-19 restrictions.

4.8 Other operating expenditure

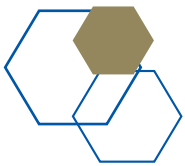
	Note	2021/22		2020/21
	4	R'000		R'000
Professional bodies, membership and subscription fees		32		-
Resettlement costs		15		-
Other		1 119		210
Total		1 166		210

Other operating expenditure includes courier and delivery services, professional bodies fees, settlement cost and storage service costs.

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

	No. of members	2021/22		2020/21
		R'000		R'000
Name of Commission / Committee				
Cluster 4 Audit Committee	3	33		-
Risk management committee	1	11		-
Total		44		-

The payment relates to the meeting that was supposed to take place; however, the meeting had to be rescheduled.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

5. Interest and rent on land

	Note	2021/22		2020/21
		R'000		R'000
Interest paid		21 500		1
Total		21 500		1

The increase in interest relates to the court order on the construction project of Jabulani Hospital. The contract was entered into during the former Department of Public Transport, Roads and Works (DPTRW).

6. Payments for financial assets

	Note	2021/22		2020/21
		R'000		R'000
Debts written off	6.1	768		641
Total		768		641

Payments for financial assets shows an increase as a result of more debt being written off as tracing of debt has not yielded a positive result as it resulted to prescribed debts.

6.1 Debts written off

	Note	2021/22		2020/21
	6	R'000		R'000
Other debts written off				
Bad debts (Irrecoverable & uncontactable debts)		-		-
Bad debts write-off (Prescribed debt)		525		608
Capital paid interest		-		1
Bad debts write-off (deceased)		243		32
Total		768		641
Total debt written off		768		641

Payments for financial assets shows an increase as a result of more debt being written off as tracing of debt has not yielded a positive result as it resulted to prescribed debts.



7. Transfers and subsidies

		2021/22		2020/21
		R'000		R'000
	Note			
Provinces and municipalities	33	1 025 348		1 089 927
Public corporations and private enterprises	Annexure 1D	-		1
Households	Annexure 1G	5 903		3 682
Total		1 031 251		1 093 610

8. Expenditure for capital assets

	Note	2021/22		2020/21
		R'000		R'000
Tangible assets		38 754		83 724
Buildings and other fixed structures	28	10 143		57 509
Machinery and equipment	28	28 611		26 215
Intangible assets		813		2 146
Software	28	813		2 146
Total		39 567		85 870

The decrease in Building and other fixed structures amount is as a result of Capex having been severely impacted by contractor performance and site access limitations.

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

	Voted funds		Aid assistance		Total
	R'000		R'000		R'000
Tangible assets	38 754				38 754
Buildings and other fixed structures	10 143		-		10 143
Machinery and equipment	28 611		-		28 611
Intangible assets	813				813
Software	813		-		813
Total	39 567		-		39 567



NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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

	Voted funds		Aid assistance		Total
	R'000		R'000		R'000
Tangible assets	83 724				83 724
Buildings and other fixed structures	57 509		-		57 509
Machinery and equipment	26 215		-		26 215
Intangible assets	2 146		-		2 146
Software	2 146		-		2 146
Total	85 870		-		85 870

8.3 Finance lease expenditure included in Expenditure for capital assets

	Note	2021/22		2020/21
		R'000		R'000
Tangible assets				
Buildings and other fixed structures		-		-
Machinery and equipment		13 867		16 933
Total		13 867		16 933

9. Cash and cash equivalents

	Note	2021/22		2020/21
		R'000		R'000
Consolidated Paymaster General Account		62 086		217 391
Cash on hand		27		27
Total		62 113		217 418

Included in the Department PMG account of R62 million is an amount of R1,4 million relating to unpaid invoices on behalf of client Departments.



10. Receivables

		2021/22			2020/21		
		Current	Non-current	Total	Current	Non-current	Total
	Note	R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	10.1	35 669	-	35 669	20 320	-	20 320
Recoverable expenditure	10.2	250	-	250	607	-	607
Staff debt	10.3	881	-	881	753	-	753
Other receivables	10.4	348	-	348	41	-	41
Total		37 148	-	37 148	21 721	-	21 721

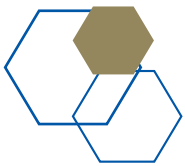
10.1 Claims recoverable

	Note	2021/22		2020/21
	10 and Annex 4	R'000		R'000
Provincial departments		34 490		20 320
Public entities		1 179		-
Total		35 669		20 320

Included in the balance of R35 million is an amount of R2,3 million for Gauteng Department of Community Safety, R8 thousand for COGTA, R5,1 million for Department of e-Gov, R17million for Gauteng Department of Health and R6.1million for Gauteng Department of Sport, Art and Culture, R1,2million for the Department of Education and R1,7 for the department of Roads and Transport.

10.2 Recoverable expenditure (disallowance accounts)

	Note	2021/22		2020/21
	10	R'000		R'000
Sal: Reversal control		204		558
Sal: Deduction disallow		5		10
Sal recoverable		26		-
Sal: Tax Dept CA		3		2
Sal: Pension Fund		12		7
UNP/RC BAS EBT CNTR ACC: DOM		-		30
Total		250		607



NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

10.3 Staff debt

	Note	2021/22		2020/21
	10	R'000		R'000
Employees		49		73
Ex-employees		832		680
Breach of contract		-		-
Total		881		753

Staff debts increased in the 2021-22 financial year as a result of more employees who exited the system during the year before repaying the outstanding balance.

10.4 Other receivables

	Note	2021/22		2020/21
	10	R'000		R'000
Claims against various suppliers		348		41
Total		348		41

The increase in other receivables is a result of a balance of R3 thousand for eskom.

10.5 Impairment of receivables

	Note	2021/22		2020/21
		R'000		R'000
Estimate of impairment of receivables		431		542
Total		431		542

An improvement in debts collection resulted in reduction in the impairment of receivables balance.



11. Voted funds to be surrendered to the Revenue Fund

	Note	2021/22		2020/21
		R'000		R'000
Opening balance		169 434		82 008
Prior period error				
As restated		169 434		82 008
Transfer from statement of financial performance (as restated)		72 611		169 439
Voted funds not requested/not received	1.1	-		-
Paid during the year		(169 439)		(82 013)
Closing balance		72 606		169 434

The Department had an overall underspending of R72 million which will be surrendered in the year 2021/22. Underspending also related to delays in training of EPWP beneficiaries, compensating employees and failure to implement capex projects.

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

	Note	2021/22		2020/21
		R'000		R'000
Opening balance		18 808		18 264
Prior period error	19.1			
As restated		18 808		18 264
Transfer from Statement of Financial Performance (as restated)		16 893		15 905
Paid during the year		(17 585)		(15 361)
Closing balance		18 116		18 808

Revenue paid over to Provincial Treasury amounted to R17 million in 2021/22. The revenue collected in the last month of the financial year will be paid over in the first quarter of the 2021/22 financial year to Provincial Treasury.

13. Payables

	Note	2021/22		2020/21
		R'000		R'000
Advances received		-		-
Other payables	13.1	8 422		50 720
Total		8 422		50 720

Included in the R8,4 million on the payable account is an amount of R1,4 million that the client departments transferred to the department, however service providers could not be paid before since transfer was done on the date of cut off. These payments will be made to contractors in the first quarter of the 2021/22 financial year.
The Sal: ACB recall account on other payables relates to all unpaid funds as a result of rejected electronical salary or supplementary payments due to a closed or invalid account, an increase of R3 million in the 2021/22 financial year is due to the above mentioned.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

13.1 Other payables

	Note	2021/22		2020/21
	13	R'000		R'000
Description				
Outstanding payments		1 793		1 550
Sal: Pension Fund		-		-
Amounts owed to other entities		1 492		45 248
Sal: ACB Recalls		3 721		61
Sal: Income Tax		376		745
Telephone Control Acc		-		-
Sal: Insurance deductions		280		155
Bank Adjustment		436		566
Adv: Dom/Dept: Gp Adv Acc: CA		62		62
Sal: Persal EBT		-		2 275
Sal: GEHS		-		23
Other Payables		262		35
Total		8 422		50 720

14. Net cash flow available from operating activities

	Note	2021/22		2020/21
		R'000		R'000
Net surplus/(deficit) as per Statement of Financial Performance		89 504		185 344
Add back non-cash/cash movements not deemed operating activities		(205 182)		(1 376)
(Increase)/decrease in receivables		(15 427)		(6 423)
(Increase)/decrease in other current assets		-		-
Increase/(decrease) in payables – current		(42 298)		16 551
Expenditure on capital assets		39 567		85 870
Surrenders to Revenue Fund		(187 024)		(97 374)
Voted funds not requested/not received		-		-
Net cash flow generated by operating activities		(115 678)		183 968

The increase and Decrease in the working capital speak to cash inflow and cash outflow. The cash outflow on receivables is due to a debt raised against other client departments and the Inflow in payables is a result of late transfer of funds by clients Departments to DID which affected the payment to service providers before the financial year end.



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

	Note	2021/22		2020/21
		R'000		R'000
Consolidated Paymaster General account		62 086		217 391
Cash on hand		27		27
Total		62 113		217 418

Included in the Department PMG account of R62 million is an amount of R1,4 million relating to unpaid invoices on behalf of client Departments

16. Contingent liabilities and contingent assets

16.1 Contingent liabilities

	Note	2021/22		2020/21
		R'000		R'000
Liable to Nature				
Claims against the department	Annex 3B	343 414		369 600
Intergovernmental payables (unconfirmed balances)	Annex 5	-		2 803
Total		343 414		372 403

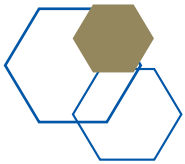
The increase in the balance for contingent liabilities is as a result of claims made against the state for breach of contract that related to projects, there where litigations settled in the 2021/22 financial year.

The unconfirmed intergovernmental balances disclosed on Annexure 5 will not be disclosed under contingent liabilities as they have been disclosed as part of the accruals, these balances will be paid once both departments have confirmed the balances.

16.2 Contingent assets

	Note	2021/22		2020/21
		R'000		R'000
Nature of contingent asset				
Litigations (TTR Building Construction)		1 617		1 617
Litigations (DID vs Chuene Matlala Construction)		13 809		-
Total		15 426		1 617

The Department instituted litigation against a contractor which payment for rectification of defects is payable by the service provider.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

17. Capital commitments

	Note	2021/22		2020/21
		R'000		R'000
Buildings and other fixed structures		133 732		137 788
Machinery and equipment		33		-
Intangible assets		337		1 150
Total		134 102		138 938

The comparative amount has been restated by R3,8 million as a result of a prior period error for a capex project. The capital commitment represents the tender awards made in prior year and current year for which the work has not yet been performed, there is a decrease from R138 million in 2020/21 to R134 million in 2021/22. The decrease relates mainly to the reduction of Intangible commitments.

18. Accruals and payables not recognised

18.1 Accruals

		2021/22		2020/21
		R'000		R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	9 677	6 761	16 438	6 984
Other	-	-	-	-
Total	9 677	6 761	16 438	6 984

	Note	2021/22		2020/21
		R'000		R'000
Listed by programme level				
Administration		5 850		5 690
Public Works		10 588		1 294
Total		16 438		6 984



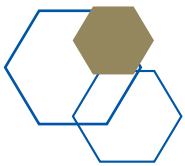
18.2 Payables not recognised

			2021/22		2020/21
			R'000		R'000
Listed by economic classification					
	30 Days	30+ Days	Total		Total
Goods and services	33 837	15 986	49 823		49 519
Transfers and subsidies	-	307 409	307 409		14 689
Capital assets	190	-	190		1 397
Other	-	-	-		-
Total	34 027	323 395	357 422		65 605

	Note	2021/22		2020/21
		R'000		R'000
Listed by programme level				
Administration		15 505		18 810
Public works		340 868		46 024
EPWP		1 049		771
Total		357 422		65 605

	Note	2021/22		2020/21
		R'000		R'000
Included in the above totals are the following:				
Confirmed balances with other departments	Annex 5	6 528		5 604
Confirmed balances with other government entities	Annex 5	985		295
Total		7 513		5 899

There is an overall decrease in Accruals and payables recognized specifically relating to Goods and Services in the 2021/22 financial year this is due to bulk of payments made before the financial year closure. The increase in Rates and Taxes was due to insufficient budget allocation.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

19. Employee benefits

	Note	2021/22		2020/21
		R'000		R'000
Leave entitlement		59 623		70 818
Service bonus		27 219		26 594
Performance awards		-		5 033
Capped leave		13 718		15 841
Other		1 739		1 380
Total		102 299		119 666

Negative leave balances are as follows:

- Current cycle: (369 377,02)
- Capped leave: (16 312,75)

At this stage the department is not able to reliably measure the long-term portion of the long service awards.

The Performance awards from the 2020-21 financial year was paid in the current year.

20. Lease commitments

20.1 Operating leases

2021/22	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year			234 401	3 854	238 255
Later than 1 year and not later than 5 years			761 499	1 625	763 124
Later than five years			-	-	-
Total lease commitments			995 900	5 479	1 001 379

2020/21	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	282 100	20 934	303 034
Later than 1 year and not later than 5 years	-	-	364 971	8 123	373 094
Later than five years			14 062	-	14 062
Total lease commitments	-	-	661 133	29 057	690 190

The Department is mandated to make provision for office accommodation and parking to all GPG Departments. A decrease in the building and other fixed structures is due to 2 leases that expired, also included in machinery and equipment is leased photocopy machines and government vehicles leased by the Department.



20.2 Finance leases

2021/22	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	13 742	13 742
Later than 1 year and not later than 5 years	-	-	-	12 612	12 612
Later than five years	-	-	-	-	-
Total lease commitments	-	-	-	26 354	26 354

2020/21	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	6 294	6 294
Later than 1 year and not later than 5 years	-	-	-	1	1
Total lease commitments	-	-	-	6 295	6 295

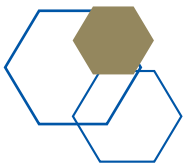
The Department has progressively moved its Cellphone contractual obligations from Vodacom to MTN however there are still other lines operating under Vodacom.

20.3 Operating lease future revenue

2021/22	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	2 351	-	2 351
Later than 1 year and not later than 5 years	-	-	7 111	-	7 111
Later than five years	-	-	14 668	-	14 668
Total operating lease revenue receivable	-	-	24 130	-	24 130

2020/21	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	2 238	-	2 238
Later than 1 year and not later than 5 years	-	-	4 237	-	4 237
Later than five years	-	-	15 336	-	15 336
Total operating lease revenue receivable	-	-	21 811	-	21 811

The Department has lease agreements with various stakeholders for both commercial and residential stated owned properties. The escalation rate varies per property type as per the lease agreement.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

21. Accrued departmental revenue

	Note	2021/22		2020/21
		R'000		R'000
Sales of goods and services other than capital assets		92 874		76 691
Sales of capital assets		2 364		-
Total		95 238		76 691

Accrued departmental revenue indicate that property debtors are not up to date with their payments and were impaired in line with Department policy.

21.1 Analysis of accrued departmental revenue

	Note	2021/22		2020/21
		R'000		R'000
Opening balance		76 691		60 950
Less: amounts received		(9 548)		(8 311)
Add: amounts recorded		25 731		24 052
Sales of capital assets		2 364		-
Closing balance		95 238		76 691

21.2 Impairment of accrued departmental revenue

	Note	2021/22		2020/21
		R'000		R'000
Estimate of impairment of accrued departmental revenue		78 381		65 948
Total		78 381		65 948

Impairment of accrued departmental revenue emanates from the current debts register relating to properties leased out. This indicates that most tenants are struggling to meet the debt obligations hence the increase in impairment.



22. Irregular expenditure

22.1 Reconciliation of irregular expenditure

	Note	2021/22		2020/21
		R'000		R'000
Opening balance		1 679 451		559 570
Prior period error				
As restated		1 679 451		559 570
Add: Irregular expenditure – relating to prior year		-		-
Add: Irregular expenditure – relating to current year		339 600		1 119 881
Less: Amounts written off		-		-
Closing balance		2 019 051		1 679 451

Analysis of closing balance				
Current year		339 600		1 119 881
Prior years		1 679 451		559 570
Total		2 019 051		1 679 451

22.2 Details of current and prior year irregular expenditure – added current year

Incident	Disciplinary steps taken/criminal proceedings	2021/22 R'000
SCM processes not followed correctly		125 343
Three quotations		61 623
Expired lease contract		131 134
Settlement agreement		21 500
Total		339 600

The current year balance of irregular expenditure relates to the following:

- Expenditure incurred in quarter 4 relates to security companies appointed on a quotation basis and to month-to-month cleaning services.
- The Department has appointed 14 new security companies through a tender process for a 3-year period.
- Cleaning services, tender has been awarded and implemented from January 2022
- Property leases: 11 Diagonal, Game building and Turbine Hall properties
- Jabulani Hospital court order (DPTRW).



23. Fruitless and wasteful expenditure

23.1 Reconciliation of fruitless and wasteful expenditure

	Note	2021/22	2020/21
		R'000	R'000
Opening balance		22 583	-
Prior period error			
As restated		22 583	-
Fruitless and wasteful expenditure – relating to prior year		-	17 341
Fruitless and wasteful expenditure – relating to current year		21 536	5 243
Less: Amounts recoverable		-	-
Less: Amounts written off		(44 119)	(1)
Closing balance		-	22 583

Fruitless and wasteful expenditure consisted of R21.5 million paid due to a court order Settlement for Jabulani Hospital, however, amount whole amount of R44 119 million has since been written off in the current year.

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 charged on settlement		21 500
Outcome of investigation		33
Interest on late payment		1
Cancellation of tender advert fee		2
Total		21 536

23.3 Fruitless and wasteful expenditure written off

Incident		2021/22
		R'000
Outcome of forensic investigation (Shatsane)		17 341
Iluma Projects		21 500
78 Fox HVAC Project		5 242
Kone Solutions		3
Audit Committee		33
Total		44 119



24. Related party transactions

Revenue received

	Note	2021/22		2020/21
		R'000		R'000
Tax revenue		-		-
Closing balance		-		-

Related party relationships and the nature thereof:

- Department of Treasury free use of office building and cleaning services.
- Department of Education- Rental of Office building.
- Department of Human Settlement – free use of office building.
- Department of Roads and Transport and its entities-Rental of office buildings, free use of head office building and cleaning services.
- Department of Sports, Recreation, Arts and Culture- Rental and office building.
- Department of E-Government-Free use of head office building.
- Department of Social Development- Free use of head office building and cleaning services.
- Department of Community Safety- Rental of office building.
- Department Economic Development and its Entities- Rental of office buildings and cleaning services.
- Department of Agriculture and Rural Development and its Trading Entities- Rental of office buildings.
- Premiers Office- Free use of head office building.
- Department of Cooperative Governance and Traditional Affairs – Free use of head office building.
- Gauteng Provincial legislature- free use of office building.
- Gauteng Department of Health- Free office use of head office building and its entities.

25. Key management personnel

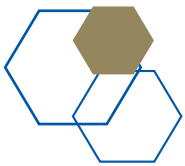
	No. of Individuals	2021/22		2020/21
		R'000		R'000
Political office bearers (provide detail below)	1	2 021		1 978
Officials:				
Level 15 to 16	6	9 900		7 292
Level 14 (incl CFO if at lower level)	19	20 328		18 258
Level 13	1	394		561
Total		32 643		28 089

The increase in Key management arises from senior management level vacancies been filled.

26. Provisions

	Note	2021/22		2020/21
		R'000		R'000
Project Retention		4 533		3 446
Total		4 533		3 446

The provision amount raised is in relation to completed precinct work done but not yet invoiced.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

26.1 Reconciliation of movement in provisions – 2021/22

	Provision 1	Provision 2	Provision 3	Total provisions
	R'000	R'000	R'000	R'000
Opening balance	-	3 446	-	3 446
Increase in provision	-	1 087	-	1 087
Settlement of provision	-	-	-	-
Change in provision due to change in estimation of inputs	-	-	-	-
Closing balance	-	4 533		4 533

Reconciliation of movement in provisions – 2020/21

	Provision 1	Provision 2	Total provisions
	R'000	R'000	R'000
Opening balance	13 901	1 755	15 656
Increase in provision	-	2 692	2 692
Settlement of provision	(13 780)	(1 001)	(14 781)
Unused amount reversed	(121)	-	(121)
Closing balance	-	3 446	3 446

27. Non-adjusting events after reporting date

	2021/22
Nature of event	R'000
On the 30th of May 2022 fire broke out at Steve Biko Academic Hospital in Pretoria resulting in damage to the temporary storage area for Covid-19 medical waste and an in-transit corpse area. An estimate of the financial effect can not be made. On the 5th of July 2022 fire broke out at Charlotte Maxeke in Johannesburg resulting in damage to the hospital parking bay. An estimate of the financial effect can not be made.	
Total	-



28. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022					
	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	126 029	-	12 794	-	138 824
Transport assets	2 055	-	-	-	2 055
Computer equipment	56 530	-	5 481	-	62 011
Furniture and office equipment	28 474	-	1 789	-	30 263
Other machinery and equipment	38 970	-	5 525	-	44 495
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	126 029	-	12 794	-	138 824

Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation.

	Number	Value
		R'000
Machinery and equipment	2 802	48 605

The increase in the balance of Movable assets is due to the additional assets (laptops and workshop equipment) acquired in the 2021-22 financial year.
Unverified capital assets are as a result of unauthorised movement; however, measures are devised to mitigate the risk. Unverified assets will be further investigated when the verification process for the new financial year commences.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

28.1 Movement for 2020/21

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021					
	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	97 527	17 090	11 412	-	126 029
Transport assets	2 055	-	-	-	2 055
Computer equipment	45 906	182	10 442	-	56 530
Furniture and office equipment	27 824	-	650	-	28 474
Other machinery and equipment	21 742	16 908	320	-	38 970
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	97 527	17 090	11 412	-	126 029

28.1.1 Prior period error

	Note			2020/21
				R'000
Nature of prior period error				
Relating to 2020/21 [affecting the opening balance]				17 090
Desktop Printer not capitalised in the previous financial year				17 090
Total prior period errors				17 090

The prior period error arose as a result of unrecognised expenditure of assets classified as biometrics units in the asset register of the previous financial years. The biometric units were a working in progress over the years and the distinction between hardware and software was not explicit on the invoices hence this error. The error has been corrected retrospectively to ensure fair presentation in the annual financial statements and the assets have been recorded in the asset register.

28.2 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2022						
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	20	-	30 837	-	30 857
Value adjustments						
Additions	-	-	-	576	-	576
Disposals	-	-	-	-	-	-
TOTAL MINOR ASSETS	-	20	-	31 413	-	31 433

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022



	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets						
Number of minor assets at cost	-	11	-	24 074	-	24 085
TOTAL NUMBER OF MINOR ASSETS	-	11	-	24 074	-	24 085

Included in the above total of the minor capital assets per the asset register are assets that are under investigation.

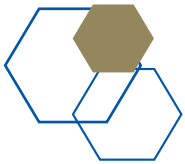
	Number	Value
		R'000
Machinery and equipment	11 912	15 156

Unverified capital assets are as a result of unauthorised movement; however, measures are devised to mitigate the risk. Unverified assets will be further investigated when the verification process for the new financial year commences.

Movement in minor assets per the asset register for the year ended 31 March 2021

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	20	-	30 429	-	30 449
Value adjustments	-	-	-	24	-	24
Additions	-	-	-	384	-	384
Disposals	-	-	-	-	-	-
TOTAL MINOR ASSETS	-	20	-	30 837	-	30 857

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets at cost	-	11	-	23 875	-	23 886
TOTAL MINOR ASSETS	-	11	-	23 875	-	23 886



NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

29. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022				
	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
SOFTWARE	31 333	-	-	31 333
TOTAL INTANGIBLE CAPITAL ASSETS	31 333	-	-	31 333

29.1 Movement for 2020/21

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021				
	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
SOFTWARE	31 333	-	-	31 333
TOTAL INTANGIBLE CAPITAL ASSETS	31 333	-	-	31 333



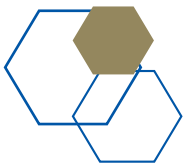
30. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022				
	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	35 837 911	1 143 238	(4 360)	36 976 789
Dwellings	404 951	10 001	(4 360)	410 592
Non-residential buildings	34 265 737	1 133 237	-	35 398 974
Other fixed structures	1 167 223	-	-	1 167 223
HERITAGE ASSETS				
Heritage assets	-	-	-	-
LAND AND SUBSOIL ASSETS	1 546 398	17 969	-	1 564 367
Land	1 546 398	17 969	-	1 564 367
Mineral and similar non-regenerative resources	-	-	-	-
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	37 384 309	1 161 207	(4 360)	38 541 156

Included in the above total of the immovable tangible capital assets per the asset register are assets that are under investigation.

	Number	Value
		R'000
Buildings and other fixed structures	10	20 685
Land and subsoil assets	25	38 327

The increase in immovable assets balance is attributable to PFMA Section 42 transfer from user departments. Deeds office information showed a change in ownership information. Investigation will be conducted to verify the accuracy of deeds information.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

30.1 Movement for 2020/21

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021					
	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	32 426 247	5 549	3 555 114	(148 999)	35 837 911
Dwellings	402 948	2 003	-	-	404 951
Non-residential buildings	30 843 625	3 546	3 554 885	(136 319)	34 265 737
Other fixed structures	1 179 674	-	229	(12 680)	1 167 223
LAND AND SUBSOIL ASSETS	1 526 514	260	26 606	(6 982)	1 546 398
Land	1 526 514	260	26 606	(6 982)	1 546 398
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	33 952 761	5 809	3 581 720	(155 981)	37 384 309

30.1.1 Prior period error

	Note			2020/21
				R'000
Nature of prior period error				
Relating to prior years (affecting the opening balance)				5 809
				5 809
Relating to 2020/21				-
Reclassification of non-residential property into land				(13 100)
Correction of land value on reclassification				13 100
Total				5 809



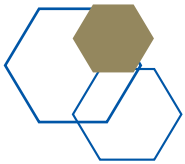
30.2 Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2022					
	Note	Opening balance 1 April 2021	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2022
	Annexure 7	R'000	R'000	R'000	R'000
Heritage assets					
Buildings and other fixed structures		134 314	10 143	(2 001)	142 456
Machinery and equipment		-	-	-	-
Specialised military assets		-	-	-	-
Intangible assets		40 588	813	-	41 101
TOTAL		174 902	10 956	(2 001)	183 857

The project for 30 Simmons has since been completed and the other projects are still on-going.

Payables not recognised relating to Capital WIP	Note	2021/22		2020/21
		R'000		R'000
Capex accruals (Work in progress)		190		1 397
Total		190		1 397

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2021						
	Note	Opening balance 1 April 2020	Prior period error	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2021
	Annexure 7	R'000	R'000	R'000	R'000	R'000
Buildings and other fixed structures		100 902	-	48 572	(15 160)	134 314
Intangible assets		38 442	-	2 146	-	40 588
TOTAL		139 344	-	50 718	(15 160)	174 902



NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

30.3 Immovable assets (additional information)

		2021/22		2020/21
	Note	Number		Number
Properties deemed vested	Annexure 9			
Land parcels		1 317		1 317
Facilities		-		-
Schools		254		254
Clinics		5		5
Hospitals		20		20
Office buildings		49		49
Dwellings		189		189
Storage facilities		-		-
Other		800		800

		2021/22		2020/21
		Number		Number
Facilities on right to use land	Annexure 9			
Schools		1 071		1 071
Clinics		45		45
Hospitals		18		18
Office buildings		5		5
Dwellings		6		6
Storage facilities		-		-
Other		124		124



31. Prior period errors

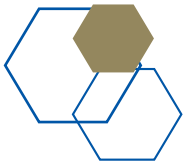
Correction of prior period errors

	Note	Amount bef error correction	Prior period error	Restated Amount
		2020/21	2020/21	2020/21
		R'000	R'000	R'000
Assets				
Accrued departmental revenue	21	78 083	(1 392)	76 691
Net effect		78 083	(1 392)	76 691

Misallocated payments and invoices in the previous financial years

	Note	Amount bef error correction	Prior period error	Restated Amount
		2020/21	2020/21	2020/21
		R'000	R'000	R'000
Liabilities:				
Capital Commitments	17	135 118	3 820	138 938
Net effect		135 118	3 820	138 938

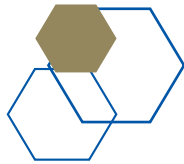
The comparative amount has been restated by R3,8 million as a result of a prior period error for a capex project



32. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF GRANT	GRANT ALLOCATION					SPENT				2020/21	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	Under / (Overspending)	% of available funds spent by department	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
EPWP Incentive Grant	18 988	-	-	-	18 988	18 988	18 988	-	100%	21 163	21 062
TOTAL	18 988	-	-	-	18 988	18 988	18 988	-	100%	21 163	21 062

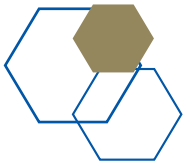
Departments are reminded of the requirement to certify that all transfers in terms of this Act were deposited into the primary bank account of the province or, where appropriate, into the CPD account of the province.



33. STATEMENT OF TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	2021/22						2020/21	
	GRANT ALLOCATION			TRANSFER			Division of Revenue Act	Actual transfer
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
City of Joburg	350 000	-	-	350 000	423 969	-	-	345 000
City of Tshwane	340 000	-	-	340 000	328 950	-	-	318 556
Ekurhuleni	181 376	-	-	181 376	159 334	-	-	273 000
Ermfuleni	100 000	-	-	100 000	64 425	-	-	78 375
Lesedi	6 000	-	-	6 000	6 273	-	-	13 000
Merapong	15 000	-	-	15 000	8 806	-	-	12 000
Midvaal	8 000	-	-	8 000	8 181	-	-	10 000
Mogale	7 000	-	-	7 000	5 692	-	-	20 000
DC48 West Rand Dist Municipality	18 000	-	-	18 000	19 718	-	-	13 000
TOTAL	1 025 376	-	-	1 025 376	1 025 348	-	-	1 082 931
								1 089 927

National Departments are reminded of the DORA requirements to indicate any re-allocations by the National Treasury or the transferring department, certify that all transfers in terms of this Act were deposited into the primary bank account of a province or, where appropriate, into the CPD account of a province as well as indicate the funds utilised for the administration of the receiving officer.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

34. 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.

35. COVID 19 Response Expenditure

	Note	2021/22		2020/21
	Annexure 11	R'000		R'000
Compensation of employees				
Goods and services		768		139 213
Transfers and subsidies		-		-
Expenditure for capital assets		-		-
Other		-		-
Total		768		139 213

The decrease in the number of Covid-19 cases reported resulted in reduction of costs for decontaminating of office buildings.

ANNEXURE 1D

ANNEXURES

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION					EXPENDITURE				2020/21
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Capital	Current	Final Appropriation	
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	
Public Corporations										
Transfers	-	-	-	-	-	-	-	-	-	1
Com: Licenses	-	-	-	-	-	-	-	-	-	1
TOTAL	-	-	-	-	-	-	-	-	-	1



ANNEXURE 1G

STATEMENT OF TRANSFERS TO HOUSEHOLDS

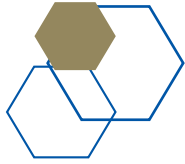
HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2020/21 Final Appropriation R'000
	Adjusted Appropriation Act R'000	Roll Overs R'000	Adjust-ments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	
Transfers							
Bursaries	-	-	-	-	4	-	17
Injury on duty	2 165	-	-	2 165	236	11%	11
Leave gratuity	2 340	-	-	2 340	5 576	238%	3 654
Claims against the state	-	-	-	-	87	-	-
TOTAL	4 505	-	-	4 505	5 903	-	3 682

ANNEXURE 3B

ANNEXURES

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2022

Nature of Liability	Opening Balance	Liabilities incurred during the year	Liabilities paid/ cancelled/reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance
	1 April 2021				31 March 2022
	R'000	R'000	R'000	R'000	R'000
Claims against the department	369 600	178 225	204 411	-	343 414
Subtotal	369 600	178 225	204 411	-	343 414
TOTAL	369 600	178 225	204 411	-	343 414



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								
E-Gov	5 149	-	-	1 193	5 149	1 193	-	-
Department of Health	17 813	-	-	9 584	17 813	9 584	-	-
Education	-	-	1 215	-	1 215	-	-	-
COGTA	9	-	-	-	9	-	-	-
SACR	-	-	6 195	-	6 195	-	-	-
GDARD	-	-	7	-	7	-	-	-
Gauteng Department of Roads and Transport	-	-	1 714	1 714	1 714	1 714	-	-
Gauteng Department of Community Safety	8 121	7 829	1 586	-	9 707	7 829	-	-
	31 092	7 829	10 717	12 491	41 809	20 320	-	-
Other Government Entities								
G-Fleet	-	-	1 179	-	1 179	-	-	-
	-	-	1 179	-	1 179	-	-	-
TOTAL	31 092	7 829	11 896	12 491	42 988	20 320	-	-

ANNEXURE 5

ANNEXURES

INTER-GOVERNMENT PAYABLES

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	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Current								
Gauteng Provincial Treasury	-	33	-	-	-	33	-	-
SITA	-	-	-	2 795	-	2 795	-	-
Dept. of Justice	5 517	5 490	-	-	5 517	5 490	-	-
Government Printing Works	-	-	-	3	-	3	-	-
Gauteng Community safety	476	-	-	-	476	-	-	-
Dept. of Public Service & Admin	-	81	-	-	-	81	-	-
E-Gov	393	-	-	-	393	-	-	-
KZN Dept. of Education	-	-	5	5	5	5	-	-
Economic Development	45	-	-	-	45	-	-	-
COGTA	40	-	-	-	40	-	-	-
Eastern Cape	57	-	-	-	57	-	-	-
Subtotal	6 528	5 604	5	2 803	6 533	8 407	-	-
TOTAL	6 528	5 604	5	2 803	6 533	8 407	-	-



ANNEXURES

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	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
OTHER GOVERNMENT ENTITY								
Current								
Gauteng Gov Motor	985	295	-	-	985	295	-	-
Subtotal	985	295	-	-	985	295	-	-
TOTAL INTERGOVERNMENT PAYABLES	7 513	5 899	5	2 803	7 518	8 702	-	-

The unconfirmed intergovernmental balances disclosed on Annexure 5 will not be disclosed under contingent liabilities as they have been disclosed as part of the accruals, these balances will be paid once both departments have confirmed the balances.



ANNEXURE 6

ANNEXURES

INVENTORIES

Inventories for the year ended 31 March 2022	Protective Clothing and Food	Hardware (Building & Painting)	Electrical & Lubricant Supplies	Hardware (Plumbing, Mechanical, Carpentry & Filter)	TOTAL
	R'000	R'000	R'000	R'000	R'000
Opening balance	11 862	381	3 653	(1 178)	14 717
Add: Additions/Purchases – Cash	3 826	5	1	-	3 831
(Less): Issues	-	(1 240)	(44)	(2 088)	(3 373)
Add/(Less): Adjustments	(13 219)	3 107	399	9 073	(640)
Closing balance	2 468	2 252	4 009	5 806	14 535

Inventories for the year ended 31 March 2021	Protective Clothing and Food	Hardware (Building & Painting)	Electrical & Lubricant Supplies	Hardware (Plumbing, Mechanical, Carpentry & Filter)	TOTAL
	R'000	R'000	R'000	R'000	R'000
Opening balance	7 979	855	3 696	445	12 975
Add: Additions/Purchases – Cash	1 236	28	1	-	1 265
(Less): Issues	-	(503)	(44)	(1 623)	(2 170)
Add/(Less): Adjustments	2 647	-	-	-	2 647
Closing balance	11 862	381	3 653	(1 178)	14 717



ANNEXURE 7

MOVEMENT IN CAPITAL WORK IN PROGRESS

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2022				
	Opening balance	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	134 314	10 143	(2 001)	142 456
Dwellings	-	-	-	-
Non-residential buildings	134 314	10 143	(2 001)	142 456
Other fixed structures				
SOFTWARE	40 588	813	-	41 401
Software	40 588	813	-	41 401
TOTAL	174 902	10 956	(2 001)	183 857

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2021				
	Opening balance	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	100 902	48 572	(15 160)	134 314
Dwellings	-	-	-	-
Non-residential buildings	100 902	48 572	(15 160)	134 314
Other fixed structures	-	-	-	-
SOFTWARE				
Software	38 442	2 146	-	40 588
TOTAL	139 344	50 718	(15 160)	174 902



ANNEXURE 9

ADDITIONAL INFORMATION ON IMMOVABLE ASSETS

The detail for note 41.7 may be included in this annexure.

Wording to suit their specific circumstances in order to comply with the Immovable Asset Guide can be inserted here.

In addition to the detail for note 41.7 the department should address the information regarding:

1. Surveyed but unregistered land parcels and
2. Contingent assets.

			Number		Number
Properties deemed vested		Annexure 9			
Land parcels			1 317		1 317
Facilities			-		-
Schools			254		254
Clinics			5		5
Hospitals			20		20
Office buildings			49		49
Dwellings			189		189
Storage facilities			-		-
Other			800		800

	Duration of use	Annexure 9	Number		Number
Facilities on right to use land					
Schools			1 071		1 071
Clinics			45		45
Hospitals			18		18
Office buildings			5		5
Dwellings			6		6
Storage facilities			-		-
Other			124		124



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	763	5	-	-	768	139 213	
Cons: Household Supplies	613	5	-	-	618	135 730	
Property payments: Pest control / fumigation	150	-	-	-	150	2 022	
Cons: Uniform and Clothing	-	-	-	-	-	1 461	
	-	-	-	-	-	-	
TOTAL COVID-19 RESPONSE EXPENDITURE	763	5	-	-	768	139 213	

