



2024/2025

ANNUAL REPORT

VOTE 09



LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF
PUBLIC WORKS, ROADS & INFRASTRUCTURE

The heartland of southern Africa – development about people!

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PART A: GENERAL INFORMATION

1.1.1 DEPARTMENT GENERAL INFORMATION

DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE

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1.1.2 LIST OF ABBREVIATIONS/ACRONYMS

AGSA	Auditor-General of South Africa
AC	Audit Committee
AO	Accounting Officer
APP	Annual Performance Plans
BBBEE	Broad Based Black Economic Empowerment
CFO	Chief Financial Officer
CPI	Consumer Price Index
DALRRD	Department of Agriculture Land Reform and Rural Development
DICC	Departmental Infrastructure Coordinating Committee
EHW	Employee Health and Wellness
EPWP	Expanded Public Works Programme
EU	European Union
EXCO	Executive Committee
GIAS	Global Internal Audit Strategy
HOD	Head of Department
IAF	Internal Audit Function
IPIP	Infrastructure Programme Implementation Plan
ISPH	Infrastructure Strategic Planning Hub
LDPWRI	Limpopo Department of Public Works, Roads and Infrastructure
LEDET	Limpopo Department of Economic Development Environment and Tourism
LIIMP	Limpopo Infrastructure Implementation Master Plan
LIMS	Limpopo Infrastructure Maintenance System
MEC	Member of Executive Council
MMS	Middle Management Service

MTEF	Medium Term Expenditure Framework
NCDP	National Contractor Development Programme
NDP	National Development Plan
OTP	Office of the Premier
PFMA	Public Finance Management Act, Act 1 of 1999
PUDF	Provincial User Departmental Forum
RAL	Roads Agency Limpopo
RCC	Reginal Coordinating Centre
RMC	Risk Management Committee
RWOPS	Remunerative Work Outside Public Service
SANRAL	South African National Road Agency Limited
SCM	Supply Chain Management
SDA	Service Delivery Agreement
SDF	State Domestic Facilities
SDIP	Service Delivery Improvement Plan
SETA,s	Sector Education and Training Authority
SITA	State Information Technology Agency
SIAS	Shared Internal Audit Services
SMME	Small Medium and Micro Enterprises
SMS	Senior Management Service
SOP	Standard Operating Procedure
TIDs	Technical Indicator Descriptions
TR	Treasury Regulations
U-AMP	User Asset Management Plan

1.1.3 FOREWORD BY MEC



It is with a profound sense of responsibility and pride that I present the 2024/25 Annual Report for the Limpopo Department of Public Works, Roads and Infrastructure. This report encapsulates our collective achievements, challenges, and the unwavering commitment to improving the quality of life for the people of Limpopo through sustainable infrastructure development and economic empowerment.

Over the past financial year, the Department has made significant strides in fulfilling its mandate to provide and maintain public infrastructure that enables inclusive socio-economic growth. In line with the Limpopo Development Plan and national priorities, we have focused on enhancing the province's road network, improving access to public amenities, and driving job creation through the permanent employment of new staff members and the Expanded Public Works Programme (EPWP) initiatives.

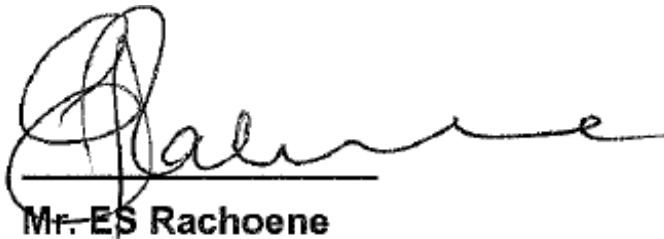
Despite a constrained fiscal environment and rising input costs, we successfully implemented key projects across all districts. These included the upgrading of strategic road corridors, maintenance of rural access roads, and rehabilitation of critical infrastructure. Notably, the completion of several bridges and rural roads has improved connectivity, reduced travel times, and enabled better access to schools, clinics, and markets, especially for residents in previously marginalised communities.

Our commitment to transformation and empowerment remains central to our operations. The Department has continued to prioritise the participation of women, youth, and people living with disabilities in our appointment of staff members, procurement processes and EPWP initiatives. Through partnerships with local contractors and targeted capacity-building programmes, we are not only building infrastructure but also developing a skilled and empowered workforce that can sustain economic growth long after projects are completed.

Looking ahead, the Department will continue to align its programmes with the priorities of a capable, ethical, and developmental state. We will deepen our engagement with communities

through the **#StakeholdersTuesdays**, strengthen our governance practices, and uphold the principles of accountability, transparency, and service excellence. This will also be achieved through the **#DikgerekgereWednesdays** service delivery initiative aimed at re-gravelling and blading of our gravel roads.

In conclusion, I wish to thank the Head of Department, senior management, dedicated staff, and all our stakeholders, including traditional leaders, municipalities, community forums, and private sector partners, for their support and collaboration throughout the year. Let us continue to work together to build a resilient, connected, and prosperous Limpopo.

A handwritten signature in black ink, appearing to read 'Rachoene', written over a horizontal line.

Mr. ES Rachoene

Member of Executive Council

Department of Public Works, Roads and Infrastructure

31 May 2025

1.1.4 REPORT OF THE ACCOUNTING OFFICER



I am pleased to submit the Annual Report for 2024/25 financial year of Public Works, Roads and Infrastructure department in the province. This report presents the activities and achievements of the Department in the previous 12 months and the 6th administration.

Significant strides were made towards delivering of socio-economic outcomes and to strengthen the organisation's capacity to execute its growing mandate. As part of building a capable, ethical and developmental State, the department has filled 254 advertised posts in the 2024/25 financial year. The Head of Department was permanently appointed in February 2025 ending his acting capacity since July 2023.

Infrastructure Performance

Infrastructure rollout remains a significant priority for the Limpopo Provincial Government. During the period under review the department administered a revised budget of R368,280 million for building maintenance of social infrastructure. This amount was directed towards the completion of several projects with varying scope and complexities. The breakdown per client department is as follows: Department of Education 18 schools, COGHSTA 2 Traditional Council Offices and Department of Sport Arts and Culture 2 libraries We have and will continue to engage with our clients with a view towards improving infrastructure planning across the province. These collaborative efforts will lead to the delivery of sustainable infrastructure as well as achievement of envisaged socio-economic outcomes. The department has put 36 emerging contractors into the Contractor Development Programme.

During the period under review, EXCO approved Limpopo Infrastructure Maintenance Strategy (LIMS). The main objective of the strategy is to ensure that all immovable assets under the custodianship of the LDPWRI are maintained in line with good practice and use of resources, that legislative requirements are met, and that end-user satisfaction is enhanced. The strategy will also seek to preserve the value vested in provincial assets under the custodianship of the LDPWRI such as that these assets remain functional at all times and

able to meet service delivery objectives of client/user departments in a cost effective and efficient manner, without having to rely on acquisition of new assets.

Job creation

The Expanded Public Works Programme (EPWP) continued to create the much-needed work and training opportunities for the poor and unemployed. Through its coordination role the department reported the creation of 510 166 work opportunities against the five-year target of 475 358 in the entire province. In terms of demographics a total of 367 319 work opportunities were created for women, 183 659 for youth and 5 101 persons with disabilities. The work opportunities were created in four sectors i.e. Infrastructure, Environmental and Culture Social and Non-state sector

Roads Infrastructure

The condition of our roads infrastructure network continuous to deteriorate due insufficient budget allocation for road maintenance. During the period under review the department launched Dikgerekgere programme which aims at maintaining and rehabilitating our road network effectively and efficiently. During the 2024-25 FY the department bladed 55 647,66 kilometres of gravel roads against the annual target of 40 000 kilometres. The over achievement was due to gravel roads that were damaged by heavy rains throughout the province and resources were channelled into repair of affected roads. On the other hand, 519 715,36 square metres of blacktop were completed during the year under review against the annual target of 325 000 square metres.

The following is the summary of the Departmental Annual Performance for 2024/25 financial year per Programme and per Chief Directorate:

Programme	Chief Directorate	Annual Targets	Actual Achievement	Overall Percentage
Programme 1: Administration	Corporate Services	01	01	100%
	Financial Management	05	05	100%
	Enterprise-Wide Risk Mmanagement	01	01	100%
Programme 2: Infrastructure Operations	Property and Facilities Management	05	04	80%
	Education Infrastructure Management	04	04	100%
	Provincial Departments Infrastructure management	05	05	100%
	District Coordination	01	01	100%
Programme 3: Expanded Public Works Programme	Expanded Public Works Programme	04	04	100%
Programme 4: Roads Infrastructure	Roads Infrastructure	08	07	88%
	TOTAL	34	32	94%

Departmental receipts

Departmental receipts	2023/2024			2024/2025		
	Estimate	Actual Amount Collected	(Over)/ Under Collection	Estimate	Actual Amount Collected	(Over) /Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-

Departmental receipts	2023/2024			2024/2025		
	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
Motor vehicle licences	-	-	-	-	-	-
Sale of goods and services other than capital assets	28 938	30 507	(1,569)	37, 554	40, 780	(3, 226)
Transfers received	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-
Interest, dividends and rent on land	501	99	402	57	1, 386	(1, 329)
Sale of capital assets	6 869	12 162	(5 293)	9, 435	554	8, 881
Financial transactions in assets and liabilities	9 345	8 652	(693)	99, 205	98, 575	630
Total	45 653	51,420	(5 767)	146, 251	141, 295	4, 956

The department made an application for the approval of the 2024/25 tariffs to Provincial Treasury by the end of September 2023. The tariffs were approved and implemented from 01 April 2024. The department did not manage to collect all the 2024/25 own revenue budget by R4.956 million against the adjusted budget of R146.251 million. The under collection was as a result of non-conduction of yellow fleet auction during the financial year as initially planned in support of the new Dikgerekgere Wednesday programme.

Programme Expenditure

Programme Name	2023/2024			2024/2025		
	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	468 467	440 169	28 298	500 366	478 677	21 689
Infrastructure Operations	998 531	948 644	49 887	1 064 004	958 793	105 211
EPWP	82 319	81 935	384	76 404	67 504	8 900
Roads Infrastructure	3 548 400	3 498 852	49 548	4 432 839	4 116 671	316 168
Total	5 097 717	4 969 600	128 117	6 073 613	5 621 645	451 968

The department managed to spend 93% of its adjusted budget in this financial year. The following are the main reasons for under spending during the 2024/25 financial year:

- The delays in the implementation of the 2024/25 recruitment plans, service termination of 244 personnel during the reporting period. The department will fast-track the recruitment process and implementation of recruitment plan.
- Delays in procurement process and implementation of projects affected goods and services classification and payment for capital assets. The additional allocation of R412.423 million for the flood road disaster appropriated on the 6th March 2025 of which only 27% of the allocation was spend at year-end. The department will apply the rollover of funds and strengthen procurement process and implementation of projects.
- Infrastructure Operations had an amount of R 66 700 that was paid on 28 February 2025 into the trust account of Leroux Inc / Ing Conveyancers for the acquisition of Erf 8149. As at 31 March 2025, registration of the property in the name of the Provincial Government of Limpopo had not yet occurred. The amount is recorded as a prepayment in the financial statements pending transfer of ownership.

Disclosures

Programme Name	2023/2024			2024/2025		
	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
Unauthorised expenditure approved without funding	-	17 135	(17 135)	-	-	-
Total Expenditure	-	17 135	(17 135)	-	-	-

- Virements/roll overs**

The department has received approval for the final virements application from the Provincial Treasury to prevent the unauthorised expenditure incurred in 2024/25 financial year in Programme 01, Administration and for statutory appropriation.

The department made an application for roll over on the unspent equitable share budget to the Provincial Treasury to the value of R309, 474 million.

- Bad debts written off**

“During 2024/25 financial year, the department wrote off rental debts amounting to R28.55 million due to irrecoverability. In processing this write-off, the department did not strictly follow the formal procedures prescribed in the Treasury Regulations and internal standard operating procedures. However, management assessed that the debts were not realistically collectable and acted to ensure that the records reflect a fair and accurate position. Of this amount, debts to the value of R6.5 million had already been referred to debt collectors, but given the age and circumstances of the accounts, recovery was no longer deemed feasible. In addition, the department removed from its debtors’ book a further R66 million relating to the 2023/24 financial year and R16 million relating to the 2024/25 financial year. These balances related to tenants who continued to occupy departmental houses without signing lease agreements. The removal of these debts, arising from illegal occupancy, resulted in a financial loss to the department”

- **Unauthorised Expenditure**

The department did not incur any unauthorised expenditure during the 2024/25 financial year.

- **Fruitless and Wasteful Expenditure**

The department incurred fruitless and wasteful expenditure of R2, 272 million during the 2024/25 financial year as disclosed in note 31 of the annual financial statements. The investigations are underway, and recommendations thereof will be implemented by the department.

- **Irregular Expenditure**

The department incurred irregular expenditure of R340 439 million during the 2024/25 financial year as disclosed in note 31 of the annual financial statements. The department has condoned R489 856 million during the 2024/25 financial year. The balance as at 31 March 2025 is amounting to R734 016 million. The irregular expenditure incurred is due to multi-year contracts awarded in the previous financial year and new non-compliance to prescripts in the current financial year. The determination, investigation and consequence management are currently underway in compliance to the unwanted expenditure framework.

Future plans to prevent and address a recurrence of unwanted expenditure

- **Unauthorised Expenditure**

The department has enhanced the functionality and effectiveness of the Budget Committee during the 2024/25 financial year. However, the additional budget allocated during the second budget adjustment for flood damaged roads resulted in a material under spending of the 2024/25 budget.

- **Fruitless and Wasteful Expenditure**

The department is allocating adequate budget for municipal and ESKOM services items such as water, electricity and licensing to prevent delays in payments processing. The Department will continue to interact with municipalities and ESKOM on the charging of interest timeously for reversal thereof. In the current financial year the department incurred fruitless and wasteful expenditure for municipal and ESKOM overdue account for R 23 000.

The department has implemented the electronic invoice tracking system from March 2024 to ensure that invoices are paid on time and 100% target was achieved.

- **Irregular Expenditure**

- o The department has established an Internal Control Unit from May 2022 to do amongst others, pre and post audit for areas that are prone to resulting in irregular expenditure, such as SCM and recruitment. The post audit will timeously detect irregular expenditure for management to correct and disclose in the annual financial statements.
- o The Internal Control and Compliance unit undertakes pre-audits for all advertised bids prior the approval by the Head of department from July 2023.
- o The Department has reviewed and implemented SCM checklist for procurement committees to avoid/prevent non-compliance matters.
- o The Department has trained SCM officials and other officials who serve in procurement committees during 2024/25 through the Provincial Treasury in an attempt to prevent the recurrence of the irregular expenditure. The training will be continuous to ensure improved knowledge and compliance to SCM prescripts on an annual basis and as and when required.
- o The department has adopted and implemented the Transversal SCM Policy during 2024/25 financial year as per the AGSA Action Plan and internal audit recommendations to prevent incurring irregular expenditure.
- o The department also approved and is implementing the Standard Operating Procedure (SOP) on SCM during the 2023/24 financial year and continued to use it during 2024/25 financial year.
- o The Head of Department has approved the Procurement Management Turnaround Strategy and it is under implementation.
- o The Department has filled the post of Director Procurement Management and 3x Deputy Director posts from December 2024.
- o Other vacant procurement management posts at head office will be filled during the 2025/26 financial year.

- **Public Private Partnerships**

The department did not have any Public Private Partnerships during the period under review.

- **List activities discontinued/to be discontinued.**

The department did not discontinue any activities during the year under review.

- **New or proposed key activities.**

The department of Public Works, Roads and Infrastructure will from 2025/26 financial year undertake rehabilitation of roads work which was previously done by the Roads Agency Limpopo through PRMG.

Supply Chain Management

- **Reporting Structure and Capacity**

The department approved organisational structure at Head Office consists of nineteen (19) posts as follows:

Name of Post	Filled/Not Filled	Comments
1x Chief Financial Officer (CFO)	Filled	Filled from 01 December 2021
1x Director Procurement Management	Filled	Filled from 01 December 2024
4x Deputy Directors	4x Filled	1x Deputy Director Acquisition Management – Infrastructure filled from 01 April 2025. 1x Deputy Director Goods and Services filled from 01 December 2024. 1x Deputy Director Contract and Advisory Management filled from 01 December 2024. 1x Deputy Director Demand Management-Infrastructure filled prior 2024/25 financial year.
8x Assistant Directors	4x Filled 4x Vacant	4x vacant posts to be filled during 2025/26 financial year
5x Admin Officers	5x Filled	There are 5x Admin Officers in excess and still rendering services within procurement management. Placement will continue during 2025/26 financial year as it could not be concluded during 2024/25 financial year.

- **List all unsolicited bid proposals concluded for the year under review**

There were no unsolicited bids awarded during the 2024/25 financial year in the department.

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

- o The department has established an Internal Control Unit from May 2022 to do amongst others, pre and post audit for areas that are prone to resulting in irregular expenditure, such as SCM and recruitment. The post audit will timeously detect irregular expenditure for management to correct and disclose in the annual financial statements.
- o The Internal Control and Compliance unit undertakes pre-audit for all advertised bids prior the approval by the Head of department from July 2023.
- o The department has reviewed and implemented SCM checklist for procurement committees to avoid/prevent non-compliance matters.
- o The department has trained SCM officials and other officials who serve in procurement committees during 2023/24 through the Provincial Treasury in an attempt to prevent the recurrence of the irregular expenditure. The training will be continuous to ensure improved knowledge and compliance to SCM prescripts on an annual basis and as and when required.
- o The department has adopted and implemented the Transversal SCM Policy during 2024/25 financial year as per the AGSA Action Plan and internal audit recommendations to prevent incurring irregular expenditure.
- o The department also approved and is implementing the Standard Operating Procedure (SOP) on SCM during the 2023/24 financial year
- o The Head of Department has approved the Procurement Management Turnaround Strategy and it is under implementation.
- o The department has filled the post of Director Procurement Management and three (03) Deputy Director posts during 2024/25 financial year.
- o Other vacant procurement management posts at head office will be filled during the 2025/26 financial year.

- **Challenges experienced in SCM and how they were resolved.**

The high vacancy rate at junior, middle and senior management level affected the monitoring of compliance to SCM prescripts during the year under review as some of the posts were filled during the last quarter. The Department was unable to award all bids that were on the 2024/25 procurement plan due to capacity challenges within the unit. The Department approved the Procurement Management Turnaround strategy. The strategy is implemented and monitored on a monthly basis. All vacancies will be filled during the 2025/26 financial year.

- **Variation orders approved during the 2024/25 financial year.**

The department approved all variation orders that were recommended by the Bid Adjudication Committee during the financial year under review and reported monthly to Provincial Treasury.

- **Deviations reported during the 2024/25 financial year**

All deviations were reported monthly to Provincial Treasury and AGSA during the 2024/25 financial year.

- **Extensions of contracts**

The department extended the security services contract that were due to expire at the end of January 2024 on a month-to-month basis until the 31 March 2025 and reported monthly to Provincial Treasury.

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

The department has the gifts and donation register in terms of the Public Service Regulations 2016 and during the year under review, there were no gifts declared nor received that requires disclosure.

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

There were no exemptions from the National Treasury on compliance to the PFMA, Treasury Regulations or deviation from the financial reporting requirements received for the 2024/25 financial year.

- **Events after the reporting date**

As of the date of this report, no events after the reporting date have been recorded. However, the following potential post-reporting date events are being monitored and will be reported once confirmation is obtained:

- a) **Adjustment to the Immovable Asset Register**

An acquisition of a building (56-58 Paul Kruger Street) valued at R66, 700 million has been paid for but is not yet registered in the name of the department. Once registration is finalized, the necessary adjustments will be made to the immovable asset register.

- b) **Irregular and Fruitless Expenditure**

A forensic investigation has identified possible irregular and fruitless expenditure related to two Health Infrastructure capital projects—namely, the Maphutha Malatjie and Letaba A6 upgrading projects. The final values of these expenditures will be reported upon determination and confirmation.

The department had taken all the roads maintenance activities from the Roads Agency Limpopo from 1st April 2025 together with the PRMG funding.

- **Other**

There were no other material fact or circumstances, which have an effect on understanding of the financial state of affairs of the department that is not addressed elsewhere in this report.

- **Appreciation**

Appreciation is extended to the management and the entire staff of the Department of Public Works, Roads and Infrastructure for their continued hard work in ensuring that the people of Limpopo Province receive the desired and quality services they are entitled to in terms of the Constitution of the Republic of South Africa.

I want to thank the MEC and the entire staff for their continued support. Further appreciation is extended to the Portfolio Committee on Public Works Roads and Infrastructure, the Audit Committee and Risk Committee for their objective oversight on our operations.

- **Conclusion**

As we go into the 7th administration we do so as a united LDPWRI committed to our stakeholders and people of Limpopo as a whole. We will continue to strive to provide socio-economic infrastructure that is sustainable and promote socio-economic development.

Approval and sign off



Mr. M.J. Phukuntsi
Head of Department
Department of Public Works, Roads and Infrastructure
31 May 2025

**1.1.5 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 F) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

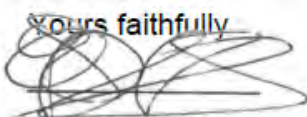
The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

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 2025.

Yours faithfully



Mr. M.J. Phukuntsi
Head of Department
Department of Public Works, Roads and Infrastructure
31 May 2025

1.1.6 STRATEGIC OVERVIEW

- **Vision**

A leader in the provision and management of provincial land, buildings and roads infrastructure.

- **Mission**

Optimal utilization of resources in the provision and management of sustainable social and economic infrastructure including implementation and coordination of Expanded Public Works Programme.

- **Values**

The Limpopo Department of Public Works, Roads and Infrastructure prides itself on the following core values.

- o Accountability

Every official will be held responsible for own action and ensuring single point accountability.

- o Integrity

All officials will be truthful and honest in execution of duties in their area of competence.

- o Professional Ethics

All officials will perform diligently with necessary proficiency in the execution of duties in their area of skills backed by acceptable moral codes.

- o Excellence in Service Delivery

All officials shall dedicate his or her energy and time to serve with distinction and offer quality service to the public.

- o Teamwork

Officials in the department will at all times strive to deliver as a joint and cooperate amongst himself or herself for service excellence.

- o Transparency

The department will always uphold Batho Pele Principles and deliver accordingly.

- o Answerability

The department will collectively take liability for poor service delivery.

1.1.7. Legislative And Other Mandates

- **Constitutional Mandate**

In terms of sub-section 125 (1) of the Constitution of RSA, “The executive authority of a Province is vested in the Premier of that Province.” Sub-section (2) also provides that “The Premier exercises the Executive Authority, together with other Members of the Executive Council, by: -

- o Implementing Provincial Legislation;
- o Implementing all National Legislation within the functional areas listed in Schedule 4 or 5 except where the Constitution or an Act of Parliament provides otherwise;
- o Administering in the province, national legislation outside the functional areas listed in Schedule 4 or 5, the administration of which has been assigned to the provincial executive in terms of an Act of Parliament;
- o Developing and implementing provincial policy;
- o Co-ordinating the functions of the provincial administration and its departments;
- o Preparing and initiating provincial legislation; and
- o Performing any other function assigned to the provincial executive in terms of the Constitution or an Act of Parliament.”

In terms of Schedule 4 of the RSA Constitution, Public Works, Roads and Infrastructure is a functional area of concurrent National and Provincial legislative competence “only in respect of the needs of provincial government departments in the discharge of their responsibilities to administer functions specifically assigned to them in terms of the Constitution or any other law.”

In terms of his Constitutional prerogative, the Honourable Premier or Minister establishes the Department of Public Works, Roads and Infrastructure to provide and manage Provincial land and buildings. In addition, to contribute to the provincial goal of job creation and poverty alleviation through the Expanded Public Works Programme “only in respect of the needs of provincial government institutions in the discharge of their responsibilities to administer functions specifically assigned to them in terms of the Constitution.”

Legislative Mandates

In terms of the relevant provisions of the RSA Constitution, (Act 108 of 1996) and the Public Service Act, (Proclamation 103 of 1994), a functional mandate was assigned to the Department in respect to Public Works. The Provisions of the Northern Province Land Administration Act (Act 6 of 1999) confirms the legislative mandate of the department in matters pertaining to the acquisition and disposal of provincial land and building.

In terms of this legislative mandate, it is abundantly clear that the Department of Public Works, Roads, and Infrastructure is assigned the role of custodian and manager of all provincial government land and buildings for which other legislation does not make other departments or institutions responsible. This mandate includes the determination of accommodation requirements; rendering expert-built environment services to client departments as well as the acquisition, management, maintenance and disposal of such provincial government land and buildings.

Other General Public Service Legislative mandates and the Regulations

Other General Public Service Legislative mandates and the Regulations are listed hereunder:-

- o **Public Finance Management Act, (Act 29 of 1999):** To secure transparency, accountability and sound management of revenue, expenditure, assets and liabilities of various public institutions;
- o **Division of Revenue Act, (Act of 2008):** To provide for the equitable division of revenue raised nationally among the national, provincial and local spheres of government for the 2008/09 financial year and the responsibilities of all three spheres pursuant to such division; and to provide for matters connected therewith;
- o **Public Service Act, (Act 103 of 1994):** The regulation of the conditions of employment, discipline and matters connected therewith.
- o **Labour Relations Act, (Act 66 of 1995):** To promote and maintain sound labour practice.

- o **Basic Conditions of Employment Act, (Act 75 of 1997):** To advance economic development and social justice by fulfilling the primary objects such as to give effect to and regulate the right to fair labour practices conferred by **Section 23(1)** of the Constitution.
- o **Employment Equity Act, (Act 55 of 1998):** To promote equal opportunity and fair treatment in employment through the elimination of unfair discrimination through affirmative action measures in order to redress the imbalances of the past.
- o **Skills Development Act, (Act 97 of 1998):** To provide an institutional framework to devise and implement strategies to develop and improve the skills of the workplace;
- o **Compensation of Occupational Injuries and Diseases Act, (Act No 130 of 1993):** To provide for compensation for disablement caused by occupational injuries or diseases sustained or contracted by employees in the course of their employment, or for death resulting from such injuries or diseases; and to provide for matters connected therewith;
- o **Preferential Procurement Policy Framework Act, (Act 5 of 2000):** A system for proper evaluation in the provision of services;
- o **Broad Based Black Economic Empowerment Act, (Act 53 of 2003):** To establish a legislative framework for the promotion of black economic empowerment; to empower the Minister to issue codes of good practice and to publish transformation charters; to establish the Black Economic Empowerment Advisory Council; and to provide for matters connected therewith;
- o **Occupational Health and Safety Act, (Act 85 of 1993):** To ensure safe working conditions and safe equipment at all times.
- o **Promotion of Access to Information Act, (Act No 2 of 2000):** To give effect to the constitutional right of access to any information held by the State and any information that is held by another person and that is required for the exercise or protection of any rights; and to provide for matters connected therewith;
- o **Promotion of Administrative Justice Act, (Act 3 of 2000):** To give effect to the right to administrative action that is lawful, reasonable and procedurally fair and to the right to written reasons for administrative action as contemplated in **section 33** of the Constitution of the Republic of South Africa, **1996**; and to provide for matters incidental thereto.

- o **Protected Disclosure Act (Act 26 of 2000):** To make provision for procedures in terms of which employees in both the private and the public sector may disclose information regarding unlawful or irregular conduct by their employers or other employees in the employ of their employers; to provide for the protection of employees who make a disclosure which is protected in terms of this Act; and to provide for matters connected therewith.

State Information Technology Agency Act, 1998

The department also discharges its core responsibilities in terms of the following line function specific legislative mandates, which are -

- o Construction Industry Development Board Act, (Act 38 of 2000)
- o Deeds Registries Act, (Act 47 of 1937)
- o Council for the Built Environment Act, (Act 43 of 2000)
- o Architectural Professional Act, (Act 44 of 2000)
- o Landscape Architectural Profession Act, (Act 45 of 2000)
- o Engineering Professions Act, (Act 46 of 2000)
- o Property Valuers Act, (Act 47 of 2000)
- o Projects and Construction Management Profession Act, (Act 48 of 2000)
- o Quantity Surveying Profession Act, (Act 49 of 2000)
- o Town and Regional Planning Act, (Act 36 of 2002)
- o Rating of State Property Act, (Act 79 of 1984)
- o Land Affairs Act, (Act 101 of 1987)
- o Land Titles Adjustment Act, (Act 111 of 1995)
- o National Building Regulations and Building Standards Amendment Act, (Act 49 Of 1995)
- o Housing Act, (Act 107 of 1997)
- o Rental Housing Act, (Act 50 of 1999)
- o National Heritage Council Act, (Act 11 of 1999)
- o Government Immovable Asset Management Act, 2007 (Act No. 19 of 2007)
- o Northern Province Roads Agency Act, Act 7 of 1998 as amended by Act. No.3 of 2001.

Policy Mandates

The department is guided by the following policy mandates in the discharge of its core responsibilities:

National

- o Ruling Party Election Manifesto of 2014
- o National Development Plan
- o Medium Term Strategic Framework 2014- 2019
- o State of the Nation Address

Provincial

- o State of the Province Address
- o Limpopo Development Plan 2020-2025

Departmental

- o MEC Budget Policy Speech
- o Departmental Policies and Frameworks

Relevant court rulings

The department did not have any specific court rulings that have a significant impact on operations or service delivery obligations.

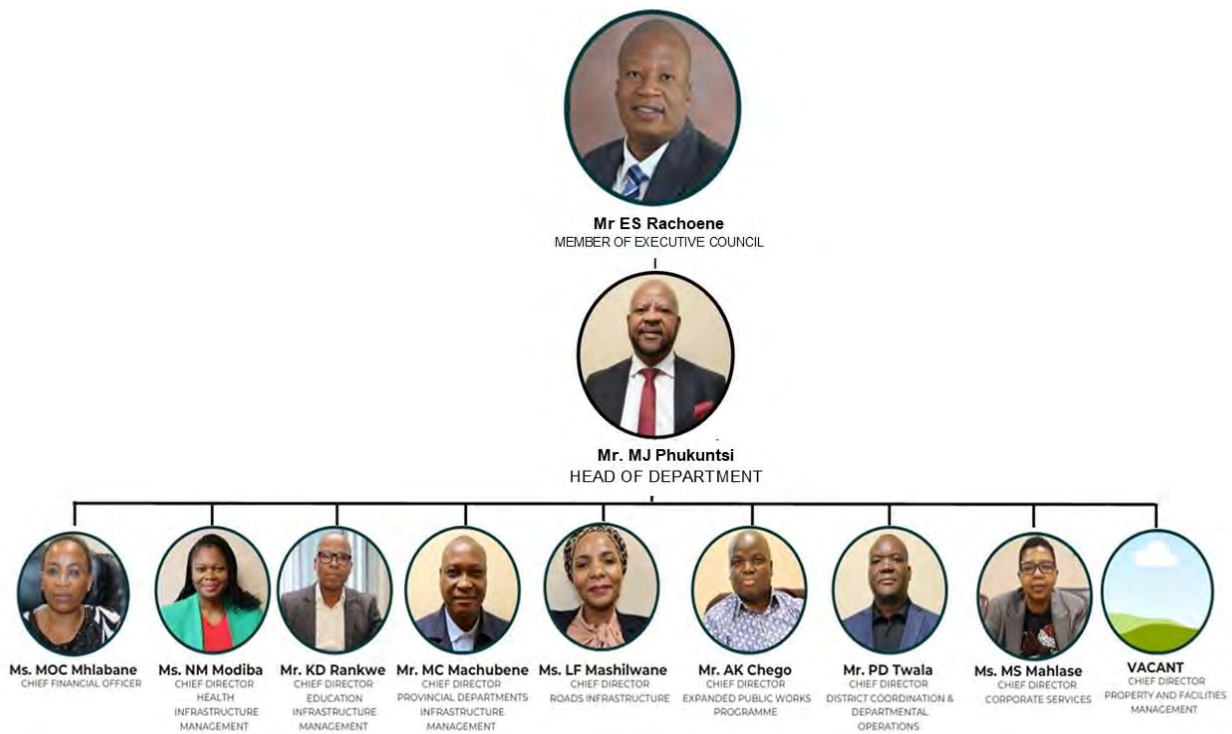
Planned Policy Initiatives

Over the strategic plan period, the focus of the department will be on –

- o Effective coordination of policy development;
- o Implementation and coordination of provincial infrastructure development.
- o Development of departmental specific scarce skills;
- o Contribution to the creation of decent work and sustainable livelihoods through increasing the labour intensity of government infrastructure funded projects through the Expanded Public Works Programme for unemployed people of working age;

- o SMME and Contractor development and capacity building for the built environment.
- o Enact the Infrastructure Strategic Planning Hub
- o Strengthen the efficacy of the reconfigured department to improve on service delivery.

1.1.8 ORGANISATIONAL STRUCTURE



1.1.9 ENTITIES REPORTING TO THE MEC

The table below indicate the entity that reports to the MEC.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
Roads Agency Limpopo	RAL is listed as a schedule 3C Provincial Public Entity in terms of Public Finance Management Act (PFMA) 1999, Act No.1 of 1999 and also Chapter 16A of the Treasury Regulations is applicable to this entity. The Northern Province Roads Agency Act, Act 7 of 1998 as amended by Act, further governs RAL. No.3 of 2001.	Transfer of funds to the entity for implementation of roads infrastructure projects.	Planning of provincial roads system, planning, design, construction, operation, management, control, maintenance and rehabilitation of provincial roads.



PART B: PERFORMANCE INFORMATION

2.1.1 AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The 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 212 of the Report of the Auditor-General, published as Part F: Financial Information.

2.1.2 OVERVIEW OF DEPARTMENTAL PERFORMANCE

Service Delivery Environment

The Service Delivery environment provides an overview of how the Department of Public Works, Roads and Infrastructure has been operating in delivering services within the context of its mandate. This section outlines all the significant achievements, challenges and factors that may have had an impact on the Department's performance as articulated in the Annual Performance Plan 2024/25.

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
Provision of information on number of immovable assets verified in the Immovable Asset Register in accordance with the	Government departments	75 Asset registered in the Immovable asset register	Updated asset register	475 Assets registered in the Immovable asset register

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
mandatory requirements of National Treasury				
Provincial Departments Infrastructure Management	General Public	6 projects completed	Infrastructure projects completed	6 infrastructure projects completed
Expanded Public Works Programme	General Public	1 100work opportunities created.	Work opportunities created.	2 333 work opportunities created.
Provision of Roads	General Public	45 km of roads gravel re-gravelled	Kilometres of gravel roads re-gravelled	132,25 km of gravel roads re-gravelled

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

Current/actual arrangements	Desired arrangements	Actual achievements
Provincial User Departments Forum (PUDF)	To build capacity for government departments in terms of Asset Register and hold quarterly Forums.	Four (4) PUDF Forums were held during the period under review.
Departmental Infrastructure Coordination Committee (DICC)	To build capacity in the Infrastructure Operations and hold monthly meetings	Monthly DICC meetings were held during the period under review.

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Service Standards	Service Standards document	During the period under review, the Departmental Service Standards developed, posted on the departmental website and workshops conducted in all departmental service points.
Citizens	Citizen Report	Citizen's report was developed and posted on the departmental website.

Current/actual information tools	Desired information tools	Actual achievements
Service Charter	3 year Service Delivery Charter	3 year Service Delivery Charter (SDC) developed and distributed to all departmental service points

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements	Challenges
Presidential Hotline	06	05	The complaint was about road upgrade (D1426 and D4127) and it has been referred to RAL. The department will continue with maintenance until the roads are upgraded
Premier Hotline	11	03	Segwashi village road will be attended through disaster fund The department will blade the remaining (8) roads once the roads conditions have improved

Organisational environment

Key policy developments and legislative changes

There were no major key policies- developments and legislative changes.

2.1.3 Progress Towards Achievement of Institutional Impacts and Outcomes

Impact Statement: Accessible, integrated and sustainable infrastructure for socio-economic and economic development.

Departmental Outcomes	Outcome Indicator	Baseline	5 Year Target	Actual
Capacitated Institution	Government Index	50%	85%	55%
Decent Jobs	% sustained jobs created	50%	80%	60%
Sustainable Roads and Building Infrastructure	Roads Infrastructure Index	50%	70%	60%
	Building Infrastructure Index	57%	87%	60%

Significant achievement with regards to the contribution towards 2019-24 medium term strategic framework.

Building Infrastructure

During the period under review 1 125 immovable assets were verified in the immovable asset register. The department managed to maintain 91 buildings during the period under review. The department constructed 35 schools in various districts around the province. The department has also completed Maphutha Malatjie outpatient department and clinical support building, Letaba Hospital in Mopani district, Mothiba Clinic in Capricorn District and construction of Bosele EMS in Sekhukhune District.

To this end the department has completed the construction of Vleifontein Library in Vhembe District and Botshabelo Library in Waterberg District. Traffic College and Testing Stations were constructed on behalf of Department of Transport and Community Safety. The department also completed the construction of Letaba Ranch and Legalameetsi Nature Reserve on behalf of Limpopo Department of Economic Development Environment and Tourism (LEDET).

As part of providing infrastructure delivery within the province the department has constructed ten (10) Traditional Council Offices for the department of Cooperative Governance Human Settlements and Traditional Affairs (CoGHSTA) in various districts.

Job creation

The department is charged with the responsibility of coordinating Expanded Public Works Programme in the province. During the period under review 510 166 work opportunities were created through the following sectors: Infrastructure, Environment and Culture, Social and Non-State sectors. In terms of demographics a total of 367 319 work opportunities were created for women, 183 659 for youth and 5 101 persons with disabilities.

Provision of Roads Infrastructure

During the period under review 685,08 kms of gravel road were re-gravelled against the five-year target of 650,58 kms in different districts in the province. The department achieved 1 348 264,3 m² blacktop patching against the five-year target of 1 157 623,80 m². The department overachieved these planned activities to ensure that the road network is safe. Through Roads Agency Limpopo (RAL) 144,83 kilometres of gravel roads were upgraded throughout the province. During the same period ten (10) bridges were constructed, and 2 959 500,00 square metres roads were rehabilitated.

Contribution towards the Provincial Growth and Development Strategy

Building Infrastructure

The department had an average performance in the 2024/25 financial year. The department had a total of twelve (12) planned targets on the Programme of Action (POA), of which six (6) were fully achieved, six (6) were partially achieved. In terms of EPWP 29 026 work opportunities were created and 1 065 were enrolled. During the period under review Education Infrastructure Management constructed hundred and twenty-three (123) classrooms. Maphutha Malatjie was completed during the year under review

The construction of Thohoyandou K53 station is at, 92% complete, it was not fully completed due to unfavourable weather conditions and staff turnover. For CoGHSTA, the following six (06) traditional council offices were completed. Bakone, Bashai-Ditlou; Makuya; Mampane; Litho-Nzuza and Mapela. For the department of Sport Arts and Culture the following libraries

Botshabelo, Vleifontein, Tshaulu and Mampane are at 84%, completion while the New Limpopo Provincial Theatre is at 39%.

Roads Infrastructure

The department regavelled 13 795 kilometres of gravel roads in the entire province, while 52 618 kilometres of roads were bladed. - To support the economic viability of the province 35,4 kilometres of roads were upgraded from gravel to surface. During the period under review three bridges were constructed namely: Steelbridge rehabilitation and construction, T1054 Glencowie to Malaka bridge road D4283 and Bridge on road D2357

2.1.4 INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

2.1.4.1 Programme 1: ADMINISTRATION

The Programme serves as a support function to building Infrastructure Operations, Expanded Public Works Programme and Roads and Infrastructure. It provides strategic leadership, supports services and overall management of the Department. This entails giving political, managerial, and administrative leadership for the effective functioning of the Department. The Programme consists of the Office of the MEC, Office of the Head of Department and Corporate Support (Corporate Services and Financial Management).

Programme / Sub-programme:								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Capacitated Institution	Compliance to 10% average vacancy rate.	Percentage compliance to average vacancy rate on filling of posts.	-	--	10%	4,82%	+5,18% (254 posts filled)	According to DPSA policy the department is expected to be at 10% vacancy rate or less. The department has achieved 4,82% which is below the norm.

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Programme / Sub-programme:								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
	Reduced staff debt account	Percentage reduction of staff debt account	27%	25%	25%	31%	+6%	The over achievement is due to officials who retired and an outstanding bursary debt balance which was settled in a lump sum through disallowance of leave gratuity.
	Revenue collected	Estimated amount of revenue collected	R584 758 mil	R51 420 mil	R41 841 mil	R141 295 mil	+R99 454	The over achievement is due to the surrender of R90 854 million unspent funds for 2023/24 FY by RAL.
	Eligible suppliers paid.	Percentage of eligible suppliers	100%	100%	100%	100%	0	None

Programme / Sub-programme:								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
		paid within 30 days						
	Movable assets verification conducted	Number of movable assets verification conducted	2	0	2	2	0	None
	Unqualified audit opinion	Percentage of 2022-23 audit findings resolved.	-	-	100%	100%	0	None
	Compliant institutional business continuity plan	Institutional Business continuity plan developed.	-	-	Institutional business continuity plan developed	Institutional business continuity plan developed	0	None

Linking performance with budgets
Sub-programme expenditure

Sub- Programme Name	2023/2024			2024/2025		
	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
Office of the MEC	7 317	7 306	11	11 029	10 228	801
Head of Department	13 081	11 089	1 992	14 109	13 596	513
Corporate Services	445 924	419 629	26 295	475 228	471 993	3 235
Total	466 322	438 024	28 298	500 366	495 817	4 549

Strategy to overcome areas of under performance.

None

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

None

Programme 2: Infrastructure Operations

2.1.4.2 Sub Programme: Property and Facilities Management

The Sub-Programme, Property and Facilities Management is responsible for the provision and management of immovable properties, which serves as a platform for the efficient delivery of various government services. It facilitates the provision of office accommodation and other related accommodation to the Provincial Government. These functions are performed in line with the broader departmental goals of improving service delivery, complying with corporate governance requirements, promoting black economic empowerment

and contributing to the transformation of the property industry. The main purpose of this Sub-Programme is to ensure that immovable assets owned and/ or utilized for delivery of government's services yield functional, economic and social benefits to the province.

Programme / Sub-programme:								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Sustainable Roads and Building Infrastructure	Compiled User Asset Management Plan (U-AMP)	Number of User Asset Management Plan (U-AMP) compiled in terms of GIAMA framework	1	1	1	1	0	None
	Facilities provided	Number of facilities provided	1	5	5	5	0	None
	Inspections conducted for optimal utilisation	Number of utilisation inspections conducted (concluded)	18	3	25	25	0	None

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Programme / Sub-programme:								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
		for office accommodation						
	Disposed properties	Number of properties disposed of	9	11	13	3	(10)	The 10 properties could not be disposed of due to number of reasons: • Delays in issuing Treasury approval, Clearance Certificates and Transfers. • Unsigned deeds of donations • Land claims
	Verified immovable	Number of immovable	100	50	75	475	+398	The department appointed a

Programme / Sub-programme:								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
	Asset register	assets verified in the Immoveable Asset Register						verification task team to physically verify all assets.

Strategy to overcome areas of under performance

None

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

Standardised outputs and output indicators are part of the reported performance information.

Linking performance with budgets

Sub-programme expenditure

Sub- Programme Name	2023/2024			2024/2025		
	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
Property & Facilities Management	504 063	480 472	23 591	541 902	519 814	22 088
Total	504 063	480 472	23 591	541 902	519 814	22 088

2.1.4.3 Sub Programme: Education Infrastructure Management

The Sub-Programme: Education Infrastructure Management is responsible for managing infrastructure and maintenance for Education by provision of technical portfolio management services and to implement infrastructure and maintenance programmes/projects for Education.

Programme / Sub-programme:								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Achievement 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Sustainable Roads and	SDAs developed	Number of Education	1	1	1	1	0	None

Programme / Sub-programme:								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Achievement 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Building Infrastructure		Department's Service Delivery Agreements (SDA) 2025-26 developed.						
	IPIP developed	Number of Education Infrastructure Programme Implementation Plan (IPIP) for 2025-26 developed	1	1	1	1	0	None
Sustainable Roads and	Construction projects completed	Number of Education construction	5	0	18	18	0	None

Programme / Sub-programme:								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Achievement 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Building Infrastructure		projects completed						
	Designs Ready for Tender	Number of education infrastructure designs ready for tender	-	-	2	2	0	None

Strategy to overcome areas of under performance

None

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

Standardised outputs and output indicators are part of the reported performance information.

Linking performance with budgets

Sub-programme expenditure

Sub- Name	2023/2024			2024/2025		
	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
Education Infrastructure Management	12 706	12 087	619	15 655	15 653	2
Total	12 706	12 087	619	15 655	15 653	2

2.1.4.4 Sub Programme: Health Infrastructure Management

The sub program Health Infrastructure Management is responsible for managing the infrastructure and maintenance for health by providing of technical portfolio management services and implementing infrastructure and maintenance programmes/projects for health

There were no planned targets for the period under review.

Linking performance with budgets

Sub-programme expenditure

Sub- Name	Programme	2023/2024			2024/2025		
		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
Health Infrastructure management		155 438	153 596	1 842	102 139	100 010	2 129
Total		155 438	153 596	1 842	102 139	100 010	2 129

2.1.4.5 Sub Programme: Provincial Departments Infrastructure Management

The sub programme Provincial Department Infrastructure Management is responsible for the Provision of technical portfolio management services for other provincial departments, shared offices and offices of LDPWRI, implement infrastructure and maintenance programmes /projects for other provincial departments and Implement category level three day-to-day, routine and emergency services for LDPWRI offices, shared offices and Legislature

Programme / Sub-programme:								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Sustainable Roads and Building Infrastructure	SDAs developed	Number of client departments service delivery agreements (SDAs) for 2025-26 developed.	5	4	4	5	+1	The department did not include LEDET during planning period. LEDET submitted their SDA which led to an over-achievement.
	IPIP Developed	Number of Infrastructure Programme Implementation Plans (IPIP) for 2025-26 developed.	6	5	5	6	+1	The department did not include LEDET during planning period. LEDET submitted their SDA which led to an over-achievement.

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Programme / Sub-programme:								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Sustainable Roads and Building Infrastructure	Designs ready for tender	Number of other Provincial Department Infrastructure designs ready for tender	7	-	10	12	+2	The over-achievement is due to additional two projects: (Premier Guest House and Security upgrade at Parliamentary Village)
	Construction projects completed	Number of New other Provincial department construction projects completed.	1	8	6	6	0	None
	Maintenance projects completed	Number of planned maintenance	-	-	4	6	+2	The department over-achieved due to

Programme / Sub-programme:								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
		projects (refurbished/renovated) completed.						additional two fire maintenance energy efficiency projects from COGHSTA

Strategy to overcome areas of under performance

None

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

Standardised outputs and output indicators are part of the reported performance information.

Linking performance with budgets

Sub-programme expenditure

Sub- Programme Name	2023/2024			2024/2025		
	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
Provincial Department Infrastructure Management	306 773	283 652	23 121	378 536	364 529	14 007
Total	306 773	283 652	23 121	378 536	364 529	14 007

2.1.4.6 Sub Programme: District Coordination and Departmental Operations

The sub programme District Coordination and Departmental Operations is responsible for coordinating activities of all five (5) districts.

Programme / Sub-programme:								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Sustainable Roads and	Contractors participating	Number of Contractors	20	-	36	36	0	None

Programme / Sub-programme:								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Building Infrastructure	in the National Contractor Development Programme (NCDP)	participating in the National Contractor Development Programme (NCDP)						

Strategy to overcome areas of under performance

None

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

Standardised outputs and output indicators are part of the reported performance information.

Linking performance with budgets

Sub-programme expenditure

Sub- Programme Name	2023/2024			2024/2025		
	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
District Coordination and Departmental Operations	19 551	18 837	714	25 772	25 487	285
Total	19 551	18 837	714	25 772	25 487	285

2.1.4.7 Programme 3: Expanded Public Works Programme

The Sub programme Expanded Public Works Programme is responsible for managing the creation of work opportunities i.e coordinate and support the implementation of EPWP across all sector departments and municipalities, monitor the delivery of the set targets and reporting and to promote the implementation of immovable and empowerment initiatives.

Programme / Sub-programme:								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Annual Target 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Decent Jobs	Paid work opportunities created	Number of Work opportunities created by the Provincial Department of Public Works, Roads and Infrastructure	1 434	1 479	1100	2 333	+1 233	The department overachieved due to replacement of participants who left the programme.
	Beneficiary Empowerment interventions	Number of Beneficiary Empowerment Interventions	1	2	2	2	0	None
	Participation of Public bodies in EPWP	Number of Public Bodies reporting on EPWP targets within the Province.	36	36	35	36	+1	During planning Waterberg District was not included amongst the implementing bodies that

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Programme / Sub-programme:								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Annual Target 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
								should report creation of work opportunities, however during quarter three the district reported one project which appeared in the EPWP reporting system.
Decent Jobs	Interventions implemented to support Public Bodies	Number of Interventions Implemented to Support Public Bodies	4	4	4	4	0	None

Strategy to overcome areas of under performance

None

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

Standardised outputs and output indicators are part of the reported performance information.

Linking performance with budgets

Sub-programme expenditure

Sub- Programme Name	2023/2024			2024/2025		
	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
Expanded Public Works Programme	82 319	81 935	384	76 404	67 504	8 900
Total	82 319	81 935	384	76 404	67 504	8 900

2.1.4.8. Programme 4: Roads Infrastructure

The programme Roads infrastructure is responsible for the management, coordination and monitoring of maintenance of roads and bridges, manage and coordinate roads projects implementation, provide environmental and disaster management services and manage and coordinate mechanical services.

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Programme / Sub-programme:								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Annual Target 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Sustainable Roads and Building Infrastructure	Kilometres of gravel roads bladed	Number of kilometres of gravel roads bladed	45 270.7 km	50 356 km	40 000 km	55 647,66 km	+15 647,66	Most gravel roads were damaged by heavy rains throughout the province and resources were channelled into repair of affected roads.
	Kilometres of gravel roads re-gravelled	Number of kilometres of gravel roads re-gravelled	157.58	132.19	45	132,25	+87,25	Most gravel roads were damaged by heavy rains throughout the province and resources were channelled into repair of affected roads.
	Square metres of blacktop	Number of square metres of blacktop patching	318 371.3	603 057	325 000	519 715,36	+194 715,36	More defects developed due to backlog in rehabilitation and the department prioritised the repair of defects on

Programme / Sub-programme:								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Annual Target 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
								the road-surface to ensure the roads are rideable
Sustainable Roads and Building Infrastructure	Work opportunities created.	Number of work opportunities created	6 493	3 429	3 406	5 104	+1 698	The department overachieved due to replacement of participants who left the programme.
	Full time equivalent	Number of full time equivalent	2 394	2 213	2 132	2 263	+131	The department overachieved due to replacement of participants who left the programme.
	Youth employed	Number of youth (18-35) employed	3 514	1 599	1 873	1 953	+80	The department overachieved due to replacement of participants who left the programme.
	Women employed	Number of women employed	3 679	2 335	2 044	3 509	+1 465	The department overachieved due to replacement of participants who left the programme.

Programme / Sub-programme:								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Annual Target 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations
Sustainable Roads and Building Infrastructure	People with disabilities employed	Number of persons with disabilities employed	94	23	22	18	(4)	The department could not achieve due to limited participation by persons with disabilities.

Strategy to overcome areas of under performance.

Number of persons with disabilities employed

The department will approach institutions that deal directly with persons with disabilities to assist with recruitment of persons with disabilities.

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

Standardised outputs and output indicators are part of the reported performance information.

Linking performance with budgets

Sub-programme expenditure

Sub-Programme Name	2023/2024			2024/2025		
	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
Roads Infrastructure	3 548 400	3 498 852	49 548	4 432 839	4 116 671	316 168
Total	3 548 400	3 498 852	49 548	4 432 839	4 116 671	316 168

2.1.5 TRANSFER PAYMENTS

Transfer payments to public entities

The Department has one public entity, Roads Agency Limpopo that it transferred an amount of R2. 895 431 billion during the 2024/25 financial year. The Department received and discussed quarterly financial and non-financial reports from the Entity during the Quarterly Review Executive Management meetings. The Department will review the governance structures to improve on the current challenges and weaknesses during the next financial year.

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
Roads Agency Limpopo	Planning, Design, construction and maintenance of provincial roads and bridges	R2, 895 431 billion	R2 718 216 billion	• 48,38km upgraded, • 1 174 725 m² resurfaced • 3 bridges completed. • 712 202 m² • 117 900km gravel roads

Transfer payments to all organisations other than public entities

None

2.1.6 CONDITIONAL GRANTS

Conditional grants and earmarked funds paid

The table below detail/s the conditional grants and earmarked funds paid by the department.

Conditional Grant 1: EPWP

Department to whom the grant has been transferred	Limpopo Department of Public Works, Roads and Infrastructure
Purpose of the grant	To expand the creation of work opportunities for the unemployed communities.
Expected outputs of the grant	Creation of Work Opportunities
Actual outputs achieved	939
Amount per amended DORA	8,698
Amount transferred (R'000)	8,698
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department/ municipality (R'000)	8,695
Reasons for the funds unspent by the entity	None
Monitoring mechanism by the transferring department	Quarterly reports were submitted to the transferring department.

Conditional Grant 2: PRMG

Department to whom the grant has been transferred	The Limpopo Department of Public Works, Roads and Infrastructure
Purpose of the grant	To maintain provincial roads network
Expected outputs of the grant	To supplement provincial investments for preventative, routine and emergency maintenance as well as none-motorised infrastructure
Actual outputs achieved	Kilometres of gravel roads bladed = 55 647,66 Square metres of blacktop patching = 519 715,36 Kilometres of gravel roads re- gravelled = 132,25 Work opportunities created = 5 104
Amount per amended DORA	1,964,546
Amount transferred (R'000)	1,964,546
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department/ municipality (R'000)	1,964,043
Reasons for the funds unspent by the entity	None
Monitoring mechanism by the transferring department	Quarterly reports were submitted to the transferring department.

Conditional grants and earmarked funds received

Earmarked Funding 1: Procurement of Buildings – EXCO Resolution

Department to whom the grant has been transferred	Department of Public Works, Roads and Infrastructure
Purpose of the grant	To procure office accommodation for provincial departments
Expected outputs of the earmarked funding	Government owned office accommodation
Actual outputs achieved	Procured one office accommodation for Provincial Treasury and one office for department of Agriculture in Tzaneen
Amount per Treasury	111,000
Amount transferred (R'000)	111,000
Reasons if amount as per Treasury not transferred	None
Amount spent by the department/ municipality (R'000)	111,550
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Monthly reports were submitted to Treasury.

Earmarked Funding 2: Refurbishment of Suid Street Building

Department to whom the grant has been transferred	Department of Public Works, Roads and Infrastructure
Purpose of the grant	To maintain government owned buildings
Expected outputs of the grant	Well maintained government owned buildings
Actual outputs achieved	The project is at 46%
Amount per Treasury	24,000
Amount transferred (R'000)	24,000
Reasons if amount as per Treasury not transferred	N/A
Amount spent by the department/ municipality (R'000)	19,783
Reasons for the funds unspent by the entity	Poor performance by contractor and was put under notice since October 2024
Monitoring mechanism by the transferring	Quarterly reports were submitted to Treasury

Earmarked Funding 3: Municipal Rates and Taxes

Department to whom the grant has been transferred	Department of Public Works, Roads and Infrastructure
Purpose of the earmarked funding	To pay rates and taxes as billed by municipalities
Expected outputs of the grant	Paid rates and taxes
Actual outputs achieved	Rates and taxes paid for all registered properties to the 22 municipality.
Amount per Treasury	164,000
Amount transferred (R'000)	164,000
Reasons if amount as per Treasury not transferred	None
Amount spent by the department/ municipality (R'000)	164,000
Reasons for the funds unspent by the entity	None
Monitoring mechanism by the transferring	Quarterly reports were submitted to Treasury

Earmarked Funding 4: Yellow Fleet Replacement

Department to whom the grant has been transferred	Department of Public Works, Roads and Infrastructure
Purpose of the earmarked funding	To replace obsolete yellow fleet
Expected outputs of the earmarked funding	Improved maintenance of provincial roads
Actual outputs achieved	Purchased/Delivered Fleet and equipment
Amount per amended Treasury	100,000
Amount transferred (R'000)	100,000
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department/ municipality (R'000)	100,000
Reasons for the funds unspent by the entity	None
Monitoring mechanism by the transferring department	Monthly reports submitted to Treasury

Earmarked Funding 5: RAL Capital Projects

Department to whom the grant has been transferred	Department of Public Works, Roads and Infrastructure
Purpose of the grant	Upgrading of provincial roads
Expected outputs of the grant	Increased upgraded provincial roads network
Actual outputs achieved	48.38 km upgraded
Amount per Treasury	756,000
Amount transferred (R'000)	756,000
Reasons if amount as per Treasury not transferred	N/A
Amount spent by the department/ municipality (R'000)	756,000
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Monthly reports submitted to Treasury

Earmarked Funding 6: RAL Roads Maintenance Projects

Department to whom the grant has been transferred	Department of Public Works, Roads and Infrastructure
Purpose of the grant	To provide funding for the repair, maintenance, and rehabilitation of the provincial road network.
Expected outputs of the grant	2 170 000 m ²
Actual outputs achieved	712 202 m ²
Amount per Treasury	484,190
Amount transferred (R'000)	484,190
Reasons if amount as per Treasury not transferred	N/A
Amount spent by the department/ municipality (R'000)	484,190
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Monthly reports submitted to Treasury

Earmarked Funding 7: RAL MMSEZ Roads Infrastructure

Department to whom the grant has been transferred	Department of Public Works, Roads and Infrastructure
Purpose of the earmarked funding	Improve access roads to the MMSEZ
Expected outputs of the earmarked funding	Improved access roads to MMSEZ
Actual outputs achieved	Designs for the new road to MMSEZ is complete and ready for implementation
Amount per Treasury	15 000
Amount transferred (R'000)	15 000
Reasons if amount as per Treasury not transferred	N/A
Amount spent by the department/ municipality (R'000)	15 000
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring	Monthly reports submitted to Treasury

Earmarked Funding 8: RAL Infrastructure Partnership

Department to whom the grant has been transferred	Department of Public Works, Roads and Infrastructure
Purpose of the earmarked funding	To access private funding to fund provincial roads maintenance
Expected outputs of the earmarked funding	Improved funding for provincial roads maintenance
Actual outputs achieved	Construction of the Bridge on Road D2219 over the Steelpoort River.
Amount per Treasury	5 000
Amount transferred (R'000)	5 000
Reasons if amount as per Treasury not transferred	N/A
Amount spent by the department/ municipality (R'000)	5 000
Reasons for the funds unspent by the entity	Monthly reports were submitted to Treasury

Earmarked Funding 9: RAL Operational Costs

Department to whom the grant has been transferred	Department of Public Works, Roads and Infrastructure
Purpose of the earmarked funding	To support Programme 1: Administration in facilitating the agency's core mandate of developing and maintaining road infrastructure.
Expected outputs of the earmarked funding	An adequately supported core business
Actual outputs achieved	1x Strategic risks assessment workshop conducted, 90,5% Internal audit plans implemented, Unqualified audit achieved, 56% AGSA reported weaknesses rectified, 100% Budget spent on infrastructure, 81,99% Eligible suppliers paid, 128 Employees trained.
Amount per Treasury	122 502
Amount transferred (R'000)	122 502
Reasons if amount as per Treasury not transferred	N/A
Amount spent by the department/ municipality (R'000)	122 502
Reasons for the funds unspent by the entity	Monthly reports were submitted to Treasury

2.1.7 DONOR FUNDS

Donor Funds Received

The Department did not receive any donor funding during the period under review..

2.1.8 CAPITAL INVESTMENT

Capital investment, maintenance and asset management plan

Infrastructure projects	2023/2024			2024/2025		
	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	35 000	28 307	6 693	108 000	119 325	(11 325)
Existing infrastructure assets						
- Upgrades and additions	101 478	85 806	15 672	76 772	76 260	512
- Rehabilitation, renovations and refurbishments	51 750	27 313	24 437	89 385	76 481	12 904
- Maintenance and repairs	48 000	27 799	20 201	52 708	36 278	16430
Infrastructure transfer	-	-	-	59 752	59 752	0.00
- Current	104 128	81 920	22 208	112 460	96 030	16 430
- Capital	191 228	141 426	49 802	274 157	272 066	2 091
Total	236 223	169 225	68 998	386 617	368 096	18 521



PART C: GOVERNANCE

3.1.1 INTRODUCTION

The department has the following established governance structure to ensure effective, efficient and economic use of state resources.

a). Executive Management Committee

The committee plays a central role in the strategic and operational leadership of the department. It is responsible for making strategic decisions and monitors the department's performance against targets.

Oversee the implementation of departmental strategic plans.

Ensures compliance with governance frameworks, legislation (e.g., PFMA, Public Service Act), and audit requirements.

Ensures the department plans and target are aligned with national policies, including the National Development Plan (NDP), Medium-Term Strategic Framework (MTSF), and Annual Performance Plans (APPs).

b). Cluster 2 Audit Committee

The Audit Committee plays a critical role in strengthening governance, accountability, and oversight within department. The committee is responsible for providing an oversight into both the financial and non-financial performance of the department as well as ensuring that financial reporting complies with applicable laws and standards. Review the audit reports issued by the AGSA and monitor the implementation of audit recommendation. Provide independent advice to the accounting officer or authority. Ensure that the department adheres to relevant legislation, regulations, and ethical standards.

c). Shared Internal Audit Services (SIAS)

SIAS is responsible for providing independent, objective assurance on the effectiveness of governance, risk management, and internal control processes. Strengthen transparency and accountability within department. Assessment of key risk areas affecting service delivery and providing advisory services to the Accounting Officer and Executive management.

d). Risk Management Committee

The department has established the Risk Management Committee (RMC) to monitor and evaluate the effectiveness of the risk management processes and to review control measures to mitigate identified significant risks. The committee is comprised of Executive Management representing various programmes, internal auditors and transversal risk management officials who are ex officio members. The RMC is chaired by an independent chairperson. The committee held four meetings during 2024/25 financial year to review and recommend the approval of the department's governance reports. RMC advise the Head of Department on significant risk exposures and risk tolerance levels. Recommend improvements to risk management practices and policies. Report to the Accounting Officer/Authority on the status of risk management, including new and emerging risks and progress in implementing risk mitigation measures.

e). Audit Steering Committee

The department established an Audit Steering Committee to serve as the main interface between both the Auditor-General South Africa (AGSA), Shared Internal Audit Services (SIAS) and the department. Facilitate smooth running of the audit processes by ensuring timely provision of information and documentation required by auditors.

3.1.2 Risk Management

The Department is guided, in its risk management practices, by the Public Finance Management Act, National Treasury Risk Management Framework, the King IV report on Corporate Governance and the Provincial Risk Management Framework. The Department is in the process of reviewing the risk management policy approved by the Executing Authority and the risk management strategy approved by the Accounting Officer.

During the 2024/25 financial year, the department conducted both strategic and operational risk assessments to identify significant risks which may affect the operations of the department and hinder the achievement of its strategic objectives. The risk mitigation action plans were implemented to reduce the impact of risks, and the plan was monitored on a continuous basis and quarterly progress reports were submitted to the Cluster 2 Audit

Committee for oversight and evaluation of the effectiveness of the risk management processes.

The Department has captured both the provincial and strategic risk profiles in the BARNOWL Enterprise Risk Management system. The utilization of the ERM system has improved significantly and reports generated by the system itself.

The Department has implemented a risk management awareness programme and conducted training and education on risk management related activities to all staff members both at Head Office and District Offices for the continuous improvement of its performance.

3.1.3 Fraud And Corruption

The department continuously implement the provisions of Public Service Anti-Corruption Strategy and Public Service Integrity Management framework. The department has implemented the National Anti-Corruption Strategy 2020-2030 which was approved by the Cabinet on the 18 November 2020. The department has an approved Fraud Prevention Strategy, Policy and Plan aligned to the Public Service Anti-Corruption Strategy.

Furthermore, the department is continuously implementing an approved Ethics Management Policy, and the Ethics Management Committee has been established to oversee the implementation of ethics management processes and ensure compliance with directives issued by the DPSA.

The department has established Integrity Management Unit to deal with fraud risk management and investigations of reported fraud and corruption cases. The Unit conducted fraud, Ethics and Corruption awareness workshop to staff members every quarter. The department has an approved Whistle Blowing Policy which provides guidelines on reporting mechanisms. Officials are encouraged to report any cases of fraud or corruption through the reporting mechanism in the whistleblowing policy which include walk-ins, through National Anti-Corruption Hotline (0800 701 701) and Premier's Hotline. Any reported cases in the department are registered in the Case Register and allocated a case number before assigned to the Investigating Officer. Criminal cases are reported to the South African Police Services.

Provide a brief description of the following:

- The department's fraud prevention plan and the progress made in implementing the fraud prevention plan
- Mechanisms in place to report fraud and corruption and how these operate.eg: Whistle blowing - The need for officials to make confidential disclosure about suspect fraud and corruption
- How these cases are reported and what action is taken

3.1.4 Minimising Conflict of Interest

The Public Service Act No. 103 of 1994 and Regulations as amended requires Senior Management Service (SMS) and Middle Management Service (MMS) members to complete Financial Disclosure forms on an annual basis. In terms of the 2023 Public Services Regulations, In terms of the 2023 Public Service Regulations, and Public Administration Management Act 11 of 2014, public servants are forbidden to conduct business with any organs of state.

The department is implementing the new directives and guidelines on Other Remunerative Work (ORW) outside public service issued by DPSA. The purpose of the new directives and guidelines is to provide clarity on the process to be followed when applying for Other Remunerative Work. Employees are encouraged to apply for the approval of Other Remunerative Work outside public service through circular issued through newsroom annually.

Members of the Bid Specification, Bid Evaluation and Bid Adjudication Committees have signed the code of conduct and are required to declare their financial interest during each meeting of the Department Specification, Evaluation and Adjudication Committees. Staff members as well as officials rendering administrative support such as recruitment are also required to complete declaration forms. All officials from level 1 to level 15 are subjected to security vetting process conducted by State Security Agency. New employees are subjected to pre-employment screening before they are appointed in the department.

3.1.5 Code of Conduct

The primary purpose of the Code of Conduct is to promote ethical, professional, and accountable behaviour among public servants to improve service delivery and maintain public trust.

To promote a high standard of professional ethics in the workplace public servant must act with integrity, impartiality, and transparency, and that they avoid conflicts of interest and abuse of power. It serves as a guide for appropriate behaviour and decision-making in the execution of their duties.

Any breach of the Code of Conduct is regarded as misconduct and is dealt with through formal disciplinary processes. These are guided primarily by:

The Public Service Regulations, 2016

The Public Service Act, 1994

The Labour Relations Act, 1995 (as amended)

The Disciplinary Code and Procedures for the Public Service (PSCBC Resolution 1 of 2003).

3.1.6 Health Safety and Environmental Issues

The department of Public Works, Roads and Infrastructure in Limpopo province is committed to provide and Implement Occupational Safety, Health and Environment and Quality measures to ensure health and safe work environment for employees and clients. The department is responsible and committed to prevent Occupational injuries as well as Acquired Occupational Diseases in the workplace and continues to implement health and safety standards and operational procedures to minimize risks and hazards in compliance with the relevant SHERQ legislations, regulations, codes, standards and practices.

The department conducted the following activities in line with SHERQ related legislations:-

- **30** OHS/COID, PPEs emergency evacuation awareness sessions.
- **40** OHS workplace audits/inspections.
- **41** Incident/accident investigations.
- Appointment of OHS Act Section 16.2

- 20 OHS/COID Supervisory Training
- 20 SHERQ Management Committee meetings
- Facilitated training of 70 SHE Reps.

The department continues to report injury on duty cases to the Department of Employment and Labour

3.1.7 Portfolio Committees

Date of the meeting	Matters raised by the Portfolio Committee	How has the department addressed these matters
23 August 2024	2023/24 Revised APP 2024/25 APP	The department prepared presentations for the revised APP 2023/24 and APP 2024/25. Questions raised by Members of the portfolio Committee were responded to.
15 October 2024	2022/23 Annual Report 2023/24 Annual Report 1 st Quarter Report 2024/25 2 nd , 3 rd , 4 th Quarter Reports 2023/24.	The department prepared presentations for the Annual Report 2023/24, Annual Report 2024/25, and 2 nd , 3 rd and 4 th quarter reports Questions raised by Members of the portfolio Committee were responded to.
19 March 2025	2 nd and 3 rd quarter reports 2024/25 Status on the appointment of a new board Presentation on the 15 houses to be built at parliamentary village	The department prepared presentations for 2 nd and 3 rd quarter reports 2024/25, status on the appointment of a new board and on the 15 houses to be built at parliamentary village

3.1.8 Scopa Resolutions

Resolution No	Subject	Details	Response by the department	Resolved (Yes/No)
2022/23				
1	Resolutions status and stagnant in the audit outcomes	- Why did the department fail to implement all the House resolutions for all these years?	- The Department regrettably regressed from unqualified audit opinion with matters of emphasis to a qualified audit opinion in 2022/23 and 2023/24 financial year and the department has the following plans in place. - 2024/25 Clean audit strategy approved and implemented) - (100% resolved AGSA action plan of 2024/25 by end of March 2025)	No
2	Irregular Expenditure	- Why did the Accounting Officer not provide the Auditor General with sufficient appropriate audit evidence that disciplinary steps were taken against officials who incurred irregular expenditure as	- All steps has been taken against official who awarded contracts to suppliers whose tax matters were not in order.	Yes

Resolution No	Subject	Details	Response by the department	Resolved (Yes/No)
		required by section 38 (1) (h) (iii) of the PFMA?		
3	Fruitless and wasteful expenditure	- Why did the Accounting Officer allow the Department to incur fruitless and wasteful expenditure?	The Executing Authority has submitted the progress report to SCOPA and the Portfolio Committee on the implementation of these resolutions by the 31 March 2024 .	Yes
4	Accrued departmental revenue	- Why did the Accounting Officer fail to provide sufficient appropriate audit evidence to the Auditor General for recording accrued departmental revenue transactions?	- The Department is implementing, monitoring and reporting on the approved 2023/24 clean audit strategy - Approved Accrued Departmental Plan is implemented and monitored. - Appointed External Forensic Investigator to establish the cause of misstatement of accrued revenue, material irregularity and other rental management challenges - Implementing and monitoring the 2022/23 AGSA Action plan and Internal Audit recommendations	No

Resolution No	Subject	Details	Response by the department	Resolved (Yes/No)
			- Performing annual tenants audit in all Districts - Provided additional capacity by DBSA team to help with the misstatement of accrued revenue and properties and facilities management challenges as part of the turnaround strategy - Implementing the approved global tariffs and monitoring thereof by all Districts.	
5	- Litigations and claims	- Which measures did the department put in place to prevent the increase in the litigations?	- The department has implemented the following measures to resolve the litigation claims. - Pothole related litigation - State Motor collision related litigation - Other delictual claims.	
6	- Achievement of planned targets	- Why did the department fail to provide sufficient audit evidence to the Auditor General on the	- The two parties finally agreed, and the business plans are now processed as per the AGSA's requirements.	Yes

Resolution No	Subject	Details	Response by the department	Resolved (Yes/No)
		achievement of all planned targets?		
7	Annual financial statements, performance and annual reports	- Why did the department submit the financial statements that were not prepared in accordance with the prescribed financial reporting framework as required by section 40(1)(a) and (b) of the PFMA?	- The Accounting Officer has directed all Programme Managers and relevant officials to develop Standard Operating Procedures (SOPs) relevant to their units to ensure compliance with laws and regulations The Accounting Officer further directed all Programme Managers to develop and implement checklists to ensure compliance to laws and regulations The CFO issued checklists for compliance on preparation and review for disclosure notes for implementation from 01 April 2023 Implementation of the approved 2023/24 clean audit strategy - Implementing the approved management plan	Yes

Resolution No	Subject	Details	Response by the department	Resolved (Yes/No)
			for preparation and submission of interim quarterly and annual financial statements - Implementing the provincial checklist for financial statements from Provincial Treasury - Review of Financial Statements by Internal Audit Steering Committee before submission to LPT , Internal Audit , Audit Committee and AG. - The officials within financial management and those responsible for disclosure notes from the end users have been trained on MCS and AMD by Provincial Treasury during the 2023/24 financial year, and it is continuous	
8	Revenue management	- Why did the department fail to implement appropriate	- The department is implementing the approved 2023/24	Yes

Resolution No	Subject	Details	Response by the department	Resolved (Yes/No)
		processes to provide for identification, collection, recording and reconciliation of revenue, as required by treasury regulation 7.2.1.? - What measures did the Accounting Officer put in place to correct this anomaly?	tariffs by Provincial Treasury. - The Department has conducted an auction sale for obsolete movable assets during the 3rd quarter of 23/24 financial year as an enhancement strategy to improve collection of revenue, and the amount of R12.745 million was generated or pledged. - The department has used the proposed tariffs for 2024/25 financial year to Provincial Treasury and approval was granted in relation to rental tariffs for residential houses and for global tariffs. - An amount of R47.833 million or 105 % of the adjusted budget of R45.653 million has been collected as at 29 February 2024 - Debts to the value of R37.8 Million have been referred to debt collectors	

Resolution No	Subject	Details	Response by the department	Resolved (Yes/No)
			as at 29 February 2024 - The Write Off committee will ensure compliance with prescripts prior to recommending debts for write off by the Accounting Officer from 2023/24 financial year. - The department is implementing the approved accrued departmental revenue plan. - The department is implementing the approved clean audit strategy for 2023/24 - The department has implemented and monitoring the AG action plan, Internal Audit progress, Audit Committee resolutions, Executive Management resolutions and Internal Audit Steering Committee resolutions - The department has appointed external forensic	

Resolution No	Subject	Details	Response by the department	Resolved (Yes/No)
			investigators to mitigate the root cause of the misstatement of accrued revenue and rental management issues - The Department will implement the approved new rental management policy from 01 April 2024	
9	Asset management	- What measures did the Accounting Officer put in place to prevent the recurrence of this anomaly?	- The Department is implementing, monitoring and reporting on the: - Approved 2024/25 Clean Audit Strategy - Approved 2024/25 AGSA Action plan and Internal Audit reports - Audit committee resolutions - Executive Management resolutions - Approved assets management plan - Internal Steering Committee resolutions - Tenants audit is conducted at least once per annum	No

Resolution No	Subject	Details	Response by the department	Resolved (Yes/No)
			- Asset verification undertaken, where assets are missing, investigations are conducted and recommendations implemented - LDPWR&I has developed lease policy and strategy to assist in the management of state immovable assets. - Immovable Assets are also being secured through outsourced security services where affordable	
2021/22				
1	Resolution status and stagnation in the audit outcomes	- Identify the issues, which contributed to the non-achievement of an unqualified audit opinion without matters.	- The Department regrettably regressed from unqualified audit opinion with matters of emphasis to a qualified audit opinion in 2022/23 and 2023/24 financial year and the department has the following plans in place. - 2024/25 Clean audit strategy approved and implemented)	No

Resolution No	Subject	Details	Response by the department	Resolved (Yes/No)
			- (100% resolved AGSA action plan of 2024/25 by end of March 2025)	
2	Irregular expenditure management	- Why did the department fail to take disciplinary steps against officials who incurred irregular expenditure as required by section 38(1)(h)(iii) of the PFMA?	- All steps has been taken against official who awarded contracts to suppliers whose tax matters were not in order.	Yes
3	Material under-spending of the budget	- Why is the department continuously underspending its budget allocation?	- The Executing Authority has submitted the progress report to SCOPA and the Portfolio Committee on the implementation of these resolutions by the 31 March 2024 .	Yes
4	Achievement of planned targets	- Why did the department fail to achieve all the targets?	- The Executing Authority has submitted the progress report to SCOPA and the Portfolio Committee on the implementation of these resolutions by the 31 March 2024 .	Yes
5	Annual financial statements	- Why did the department submit the financial	- The Executing Authority has submitted the progress report to	Yes

Resolution No	Subject	Details	Response by the department	Resolved (Yes/No)
		statements that were not prepared in accordance with the prescribed financial reporting framework as required by section 40(1)(a) and (b) of the PFMA?	SCOPA and the Portfolio Committee on the implementation of these resolutions by the 31 March 2024 .	
6	Revenue management	- Why did the department fail to take effective and appropriate steps to collect all money due, as required by section 38(1)(c)(i) of the PFMA?	- The material misstatement is emanating back from 2014/15 financial year to date wherein the department could not support the inheritance material misstatement to the AGSA team. - This is an inheritance finding which is emanating from the District Directors, District Property Deputy Directors and District Finance Deputy Directors. - This misstatement has also been inherited by former Chief Directors Properties and Facilities, former Chief Financial Officers and Chief	No

Resolution No	Subject	Details	Response by the department	Resolved (Yes/No)
			Director District Coordination.	
7	Assets Management	- Why did the department fail to put adequate systems in place to maintain assets as required by treasury regulation 10.1.1(a)?	- The Executing Authority has submitted the progress report to SCOPA and the Portfolio Committee on the implementation of these resolutions by the 31 March 2024 .	Yes
8	Material Irregularity	- Provide a detailed report regarding the implementation of the recommendations on the material irregularity investigation.	- The Executing Authority has submitted the progress report to SCOPA and the Portfolio Committee on the implementation of these resolutions by the 31 March 2024 .	Yes
9	Remunerative Work outside Public Service (RWOPS)	- What plans did the Accounting Officer put in place to prevent the recurrence of this anomaly?	- The Executing Authority has submitted the progress report to SCOPA and the Portfolio Committee on the implementation of these resolutions by the 31 March 2024 .	Yes
2020/21				
01	Stagnant audit outcome	- The Committee recommends that the Accounting Officer must	- The Department has implemented 2023/24 clean audit strategy	No

Resolution No	Subject	Details	Response by the department	Resolved (Yes/No)
		develop an audit action plan to address internal weaknesses with a view of obtaining a Clean Audit Opinion.	- Implementing the approved audit Action plan - Implementing the approved internal audit action plan - Approved Accrued Departmental Plan - Approved internal controls on projects reporting, preparation of quarterly financial statements and annual financial statements, leave gratuities, accruals, payables and commitments. - SCM (Contract management) pre audit performance by Internal Control & Compliance - Committee dealing with the unwanted expenditure - Committee dealing with the contingents assets and liabilities	
02	Material underspending of the budget	- The Committee further recommends that the Executive Authority must table a progress report on the implementation of this resolution and submit the	- The Executing Authority has submitted the progress report to SCOPA and the Portfolio Committee on the implementation of these resolutions by the 31 March 2023 .	Yes

Resolution No	Subject	Details	Response by the department	Resolved (Yes/No)
		report to both SCOPA and the Portfolio Committee on Public Works, Roads and Infrastructure on or before 31 March 2023.		
03	Exceptional Litigation	- The Committee further recommends that the Accounting Officer must conduct an assessment on each significant uncertainties, and where it is found that the incident took place as a result of negligence, the responsible officials must be held accountable.	- The Executing Authority has submitted the progress report to SCOPA and the Portfolio Committee on the implementation of these resolutions by the 31 March 2023 .	Yes
04	Impairment of accrued departmental revenue	- The Committee further recommends that the Accounting Officer must develop a comprehensive action plan and standard operating procedure to	- The Executing Authority has submitted the progress report to SCOPA and the Portfolio Committee on the implementation of these resolutions by the 31 March 2023 .	Yes

Resolution No	Subject	Details	Response by the department	Resolved (Yes/No)
		curb occurrence of accrued revenue.		
05	Annual Financial Statements	- The Committee further recommends that the Executive Authority must table a progress report on the implementation of this resolution and submit the report to both SCOPA and the Portfolio Committee on Public Works, Roads and Infrastructure on or before 31 March 2023.	- The Executing Authority has submitted the progress report to SCOPA and the Portfolio Committee on the implementation of these resolutions by the 31 March 2023 .	Yes
06	Expenditure Management	- The Committee further recommends that the Executive Authority must table a progress report on the implementation of this resolution and submit the report to both SCOPA and the Portfolio Committee on Public Works, Roads and	- The irregular expenditure incurred for 2020/21 amounted to R1,594,195,265.59 . - Amount condoned is R1,591,915,448.59 . Annexure 4 - The outstanding amount is R 2,279,818.00. - The outstanding balance has been determined and sent	No

Resolution No	Subject	Details	Response by the department	Resolved (Yes/No)
		Infrastructure on or before 31 March 2023.	for disciplinary process to unfold and awaiting the intention letters from labour relations.	
07	Unauthorised Expenditure	- The Committee further recommends that the Executive Authority must table a progress report on the implementation of this resolution and submit the report to both SCOPA and the Portfolio Committee on Public Works, Roads and Infrastructure on or before 31 March 2023.	- The Executing Authority has submitted the progress report to SCOPA and the Portfolio Committee on the implementation of these resolutions by the 31 March 2023.	Yes
08	Fruitless and Wasteful Expenditure	- The Committee further recommends that the Executive Authority must table a progress report on the implementation of this resolution and submit the report to both SCOPA and the Portfolio Committee on	- The Executing Authority has submitted the progress report to SCOPA and the Portfolio Committee on the implementation of these resolutions by the 31 March 2023 .	Yes

Resolution No	Subject	Details	Response by the department	Resolved (Yes/No)
		Public Works, Roads and Infrastructure on or before 31 March 2023.		
09	Material Irregularities	- The Committee further recommends that the Executive Authority must table a progress report on the implementation of this resolution and submit the report to both SCOPA and the Portfolio Committee on Public Works, Roads and Infrastructure on or before 31 March 2023	- The Executing Authority has submitted the progress report to SCOPA and the Portfolio Committee on the implementation of these resolutions by the 31 March 2023 .	Yes
10	Other reports	- The Committee recommends that the Executive Authority must table a report on the findings and recommendations of the Special Investigating Unit in the House once the	- The Executing Authority has submitted the progress report to SCOPA and the Portfolio Committee on the implementation of these resolutions by the 31 March 2023 .	Yes

Resolution No	Subject	Details	Response by the department	Resolved (Yes/No)
		investigations into this anomaly have been concluded.		

3.1.9 Prior Modifications to Audit Reports

The Accounting Officer developed the 2024/25 AGSA audit action plan after the audit of 2023/24 financial year. The established Internal Audit Steering Committee monitored the implementation of the plan during the 2024/25 financial year. The Department managed to resolve up to 80% of the 2023/24 findings. The Department received a qualified audit opinion during the 2023/24 financial year due to misstatements on accrued departmental revenue.

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
Accrued Departmental revenue	2023/24	- The Department implemented a plan to resolve the challenge
Irregular expenditure	2023/24	- The assessment and determination were concluded during the 2024/25 financial year. - Investigation is still underway and recommendations to be implemented during 2025/26 financial year - Consequence management is underway for all cases referred to Labour Relations for disciplinary processes. - Condonations application will be submitted during 2025/26 financial year.

3.1.10 Internal Control Unit

Internal Control Unit is functional and DPWRI received an unqualified opinion with findings for the financial year 2024/25. The unqualified audit opinion had Emphasis on matters and other significant audit findings are being addressed in the audit action plan designed to prevent recurrence of similar audit findings.

The ICU plan is to manage and facilitate the provision of internal controls and compliance by providing the department with the overall management and administrative, strategic, financial and corporate support services in order to ensure that it delivers on its mandate.

DPWRI Coordination of Internal Audit Findings (ASC).

Internal Control and Compliance sub-directorate coordinate the departmental internal audit findings to ensure that management implement the audit recommendations. During the financial year 2024/25 all the unsatisfactory findings were resolved. The department managed to resolve 114 (100%) findings as at 31st December 2024.

Departmental Audit Steering Committee meetings

Internal Control and Compliance sub-directorate coordinates the departmental audit steering committee meetings. The committee members were appointed in writing, terms of reference for the committee were approved. It is constituted as follows: Accounting Officer, Chief Financial Officer and Directors, Chief Director EPWP and Directors, Chief Director Property & Facilities and Directors, Chief Director Corporate Services and Directors, Chief Director Education Infrastructure and Directors, Chief Director Roads Infrastructure and Directors, Chief Director Education and Directors, Chief Director District Coordination and Directors, and standing invitees from Provincial Treasury. Chairpersonship responsibilities of the Office's Audit Steering Committee is allocated to the Accounting Officer. There were twelve Audit Steering Committee meetings held to discuss the implementation of the internal audit recommendations, SCOPA resolutions, AG action plan, progress of the regularity audit which is currently underway, and the work performed by the Internal Control unit during the year.

Financial Misconduct Board appointment

A Financial Misconduct Board (FMB) is a Committee established to give effect to the provisions of Section 38 (1)(h) and 51(e) of the Public Financial Management Act 1999, as amended by Act 29 of 1999 (Act no.1 of 1999), and paragraphs 4 and 33 of the Treasury Regulations (TR)

LDPWRI has appointed the following board members: Ms. Dikotla MR (Chairperson), Mr. Letshedi SD (Deputy Chairperson), Mr. Nwedamutswu R (Member), Ms. Moloisi NA (Member), Ms. Mhlabane MOC (Ex-Officio Member), Mr. Kutama MD (Member) and Mr. Nyathela LG (Member) with effect from 01 June 2022 to 30 June 2025. The FMB has conducted three (3) meetings during the financial year 2024/25.

3.1.11 INTERNAL AUDIT AND AUDIT COMMITTEES

3.1.11.1 Internal Audit Functions (IAF)

Purpose and mandate

The purpose of the Shared Internal Audit Services (SIAS) is to help Provincial Departments accomplish their strategic outcomes and objectives through performing systematic and disciplined assurance and consulting services by evaluating and improving the adequacy and effectiveness of the organisation's a) Risk Management, b) Internal Control/Compliance and c) Organisational Governance Processes.

Vision and strategy

To position SIAS as an objective advocate of public interest and a reliable, dependable voice for continual improvement in provincial strategy, people, systems, processes, practices, and impactful performance while embracing citizenry and "Batho Pele" principles displaying professional traits

Charter, methodology and internal audit plans

SIAS charter and methodology provide a clear statement of the internal audit function's purpose within the Limpopo Provincial Departments, its mandate, and the authority granted to it by the Audit Committee. These include the right to access records, personnel, and physical properties.

The internal audit functions have been integrated with more audits now standardized and conducted in all departments. There is one methodology and standard templates in use. SIAS audit methodology aims for a risk-based audits plans that are based on the Limpopo Provincial departments' risk assessment processes. The methodology guides the audit team

on key audit processes, from planning, fieldwork to reporting and follow-up, and the coordination of internal audit activities with Auditor General South Africa and other assurance providers to avoid duplication and maximize coverage.

Independence and objectivity

SIAS is independently positioned within Limpopo Provincial Treasury. The Head of SIAS reports administratively to the Head of Limpopo Treasury or Director General of the Province, and functionally to the independent Audit Committee. SIAS auditors declare their independence on annual basis and before the commencement with the execution of every planned audit. Threats to independence and impairment of auditors' objectivity during the execution of the audit if any, are reported to the Audit Committee outlining the circumstances, the impact on the audit and how the matter was resolved.

Internal audit modality

The scope of work of the Internal Audit function entails providing assurance and advisory services in respect of Risk Management, Internal Control/Compliance and Governance processes. Internal Audit Function determines whether the institution's network of risk management, internal control/compliance and governance processes as designed by management, is adequate and operates effectively.

Assurance Services involve an objective examination of evidence for the purpose of providing an independent assessment on Internal Control, Risk Management and Governance Processes for the organization. These include financial, performance, compliance, system security, and due diligence engagement.

Assurance Audit is the largest component within SIAS. Assurance audit evaluates the extent to which controls designed by Department are adequate and effective to mitigate risks identified; the evaluation also includes the Department's level of compliance with relevant prescripts.

Performance Audit is responsible for ensuring that there are satisfactory management measures instituted to ensure resources are acquired economically and are utilized efficiently and effectively in the achievements of the objectives of the respective Departments.

Fraud Audit focuses in on the identification of high fraud risk areas, as well as determining whether there are sufficient management controls to mitigate against them. The fraud audit unit also engages in diagnostic investigations of fraud cases in line with the Provincial Investigation Framework, requests from the Department and agreed on terms of reference.

Information Systems Audit is responsible for providing management with an independent assurance on the adequacy of controls within the information technology environment. As an integral part of SIAS, information systems auditors also run computer assisted audit techniques reports to support assurance, consulting and fraud and performance audits.

Advisory Services are client related activities and of an advisory nature and of which the scope is to be agreed with the client department. Consulting Services are intended to add value and improve an organization's Risk Management, Internal Control and Governance Processes

Staffing

Limpopo Provincial Treasury Department within which Shared Internal Audit Services operates, has initiated a structure review process to address the SIAS structure shortcomings. The identified improvements to the structure include setting the technical support and quality control services at a Directorate level and the introduction of the third Chief Directorate to allow for rotation, enhance capacity and availability to bigger departments with decentralized operations. The structure review is under consideration for funding, a condition precedent to the application and approval by the Department of Public Service Administration. This process is ongoing and has not been finalized.

SIAS currently functions with an Interim Operating Structure aligned to the Cluster Audit Committee which allows for effective annual planning and implementation of the audit plans thereof.

The vacancy rate against the funded organizational structure was 50% at the end of the financial year

Quality assurance and improvement program

The attainment of conforming quality assurance report by an independent self-assessment validator demonstrates the level of Shared Internal Audit services' commitment to follow prescribed methods and systematic approach to audits in accordance with the international standards for Professional Practice of Internal Auditing (IIA Standards); the Core Principles of the Profession of Internal Auditing and the IIA's Code of Ethics. The self-assessment is valid for 5 (five) years commencing from 01 November 2019 and ending on 30 November 2024. The compliant Internal Audit function contributes toward enhancing risk management and internal control practices and processes which ultimately strengthens the capability and accountability of the Limpopo provincial administration.

To safeguard continuous improvement and alignment with best practices, SIAS Internal Quality Assurance undertook bi-annual internal assessments. These assessments focused on evaluating the internal audit function's conformance with Global Internal Audit Standards (GIAS) and progress in achieving performance objectives, directly contributing to the branch's readiness for the upcoming External Quality Review. In addition, a gap analysis was conducted to identify areas for improvement in SIAS's adoption of the newly implemented GIAS. The Internal Quality Assurance process includes quality peer reviews of quarterly audit reports before submission to the Audit Committee, a measure designed to enhance report quality and ensure compliance with GIAS requirements.

Stakeholder relationships

The Chief Audit Executive continued to report to the Audit Committee and Client Departments on the progress made regarding the implementation of the new Global Internal Audit Standards as well as the essential conditions that must be created for Internal Audit Function to remain compliant. Shared Internal Audit Services sets expectations of both Management, Combined Assurance Providers and Internal Auditors using a Protocol document. The Protocol serves as a guideline and an escalation procedure for management and assurance stakeholders and SIAS in maintaining professional, objective and collaborative working relationships while fulfilling the mandate and responsibilities as stipulated in the Internal Audit Charter and Global Internal Audit Standards.

Planned and completed audits

Category	Number
Audits planned	18
Audits completed	17
Discontinued	1
% Completion	100%

The Audit Committee approved the discontinuation of the Rental Management in the second quarter due to the forensic Investigation that was in-progress.

Summary of audit work done

Assurance and Consulting Audit Services

Q1	Q2	Q3	Q4
- Annual Financial Statements Review - Annual Performance Report Review	- Infrastructure Execution - Follow-Up	- Supply Chain Management - Interim Financial Statements	- Assessment of Risk Profile - Transfer payments

Q1	Q2	Q3	Q4
- Expenditure Management - Follow-Up		- Litigation Management - Follow-Up	- Immovable Asset Management - Follow-Up

Fraud Audit

Q1	Q2	Q3	Q4
None planned	None planned	None planned	Transport Management Expenditure Review

Information Systems Audit

Q1	Q2	Q3	Q4
DPSA CGICTPF Readiness Assessment	None planned	None planned	None planned

Performance Audit

Q1	Q2	Q3	Q4
None planned	None planned	Reliability and Integrity of Performance Information	None Planned

Internal audit recommendations

Key improvement areas	Audit
Non-attendance of the Modified Cash Standards Update Workshop by Chief Financial Officers: A matter of concern was the non-attendance of the Modified Cash Standards update workshop by Chief Financial Officers. This lack of participation may impede the effective implementation of updated financial reporting guidelines within the respective departments.	Annual Financial Statements Review
Structures Constructed Without Supportable, Verifiable Formal Land Access and Use Right Arrangements with Provincial Government: Instances were identified where structures were constructed without the requisite supportable and verifiable formal land access and use right arrangements with the provincial government. This poses potential risks related to land ownership, legal compliance, and future asset management.	
Non-adherence to The Head of Department's Forum (HOD's Forum) Resolution Regarding Annual Report Submissions to Internal Audit: Non-adherence to the Head of Department's Forum (HOD's Forum) resolution of the 2023/2024 financial year was noted. This resolution mandated the submission of annual reports to Internal Audit by the 2nd of May to facilitate effective internal audit review and enable comprehensive oversight by the Audit Committee over the Draft Annual Report, encompassing both performance information and the Annual Financial Statements. This non-compliance diluted the intended internal audit processes and Audit Committee oversight.	
Land Value Must Be Separated from Structures Value in the Financial Information Asset Register and Notes to Annual Financial Statements: The Financial Information Asset Register and the notes to the Annual Financial Statements require the separation of land value from the value of structures. This segregation is essential due to the differing useful lives of these asset components and is necessary for accurate financial reporting and depreciation calculations.	

Key improvement areas	Audit
The Provincial Departments Did Not Perform Adequate Reconciliations on Travelers' Lodge Cards: It was observed that Provincial Departments did not perform adequate reconciliations on Travelers Lodge Cards. This deficiency increases the risk of unauthorized or erroneous transactions and necessitates strengthened internal controls over expenditure.	
Misstatements of assets values were identified through reported unverified R0 and R1 value assets, disposals, and economic condition. There is a need to assess the economic condition of the underlying assets for the purpose of informing the appropriate value for financial reporting or the disposal process.	

Value add

- Recognizing the imperative for strengthened governance and accountability, SIAS proactively supported Limpopo Provincial Departments in piloting the Combined Assurance framework. This initiative, commenced in the first quarter of the 2024/25 financial year, and involved actively assisting management in identifying key stakeholders and clarifying their responsibilities for the successful implementation of the Combined Assurance plan in the upcoming 2025/26 financial year.
- Throughout the 2024/25 financial year, SIAS provided crucial advisory services to the Accounting Officers and key stakeholders during the initial phase of Combined Assurance implementation. This support was delivered without assuming management responsibilities, ensuring the objectivity of Internal Audit while empowering management to take ownership. These advisory services were strategically facilitated through in-depth discussions leveraging the risks and controls identified during SIAS's assurance audit projects for the 2024/25 financial year. This approach ensured that the implementation was informed by real-time audit insights tailored to the specific risk landscape of each department.

- The successful piloting and subsequent full implementation of the Combined Assurance model across Provincial Departments are anticipated to significantly enhance risk management and internal control practices and processes. This will ultimately contribute to strengthening the overall capability and accountability of provincial public institutions, fostering a more resilient and efficient public service delivery. SIAS worked consistently to secure the provincial approval for the combined assurance framework and initiating its pilot implementation. SIAS remains committed to facilitating the broader rollout and optimization of the Combined Assurance plan, supporting Limpopo Provincial Departments in strategically leveraging limited resources to achieve their objectives and enhance their overall performance.

3.1.11.2 Audit Committee (AC)

3.1.11.3 Audit Committee Composition and Meeting Attendance

Name	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Appointment: Term of Office		No. of meetings attended 2024/25	Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Start date	End Date					
Tebogo Modipane CA(SA)	CA (SA); B Com Honours (CTA); B Com (Accounting); Higher Diploma in Auditing; Certificate in Business Development Systems; and SAICA GRAP Certificate.	SAICA	1 January 2023	31 December 2025	6	Yes	No	1 PFMA 2 MFMA	0
Madumetja Frans Kekana	CA (SA); Executive Coaching	South African Institute of	01 January	31 December 2025	7	Yes	No	2	none

Name	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Appointment: Term of Office		No. of meetings attended 2024/25	Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Start date	End Date					
	(COMENSA & South African Business Coaches); Bcom Accounting Hons/CTA degree; and B.compt Accounting degree.	South Africa (SAICA) IODSA COMENSA South African Business Coaches							
Adv. Lufuno Tokyo Nevondwe	Master of Laws (LLM); and Bachelor of Laws (LLB).	Member of IODSA	1 January 2023	31 December 2025	7	Yes	No	2	3
Badimo AMM	Master in Business Administration (MBA); Master of Science;	*	13 April 2019 – 31 December 2020 Re-appointed:	To date	2	Yes	No	*	*

Name	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Appointment: Term of Office		No. of meetings attended 2024/25	Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Start date	End Date					
	B. Science: Hons Computer Science; B. Science: Computer Science; CISM (Certified Information Security Manager); CGEIT (Certified in the Governance of Enterprise IT); CISA (Certified Information Systems Auditor); CRISC (Certified in Risk and Information		01 January 2021 Re – appointed 01 February 2023.						

Name	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Appointment: Term of Office		No. of meetings attended 2024/25	Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Start date	End Date					
	Systems Control); Cobol Programming Diploma; PMP (Project Management Professional); Cert. IT Auditing; and COBIT 5. ITIL Foundation; Certified ISO 22301 Lead Implementer; Certified ISO 22301 Business Continuity Management Lead Auditor;								

Name	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Appointment: Term of Office		No. of meetings attended 2024/25	Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Start date	End Date					
	Certified ISO 27001 ISMS Lead Auditor; Certified ISO/IEC 27005 Lead Risk Manager; and F. Inst D (IoDSA).								
MAJA K.V (C0-opted in Aug 2024)	BCom (Acc); Hons Bcompt; MBL; and CIA.		01 January 2023	31 December 2025	1	NO		W&R SETA, AGRISETA ICASA.	
Sereku Daisy Lebepe (C0-opted in Aug 2024)	Advocate of the High Courts in South Africa; CA(SA); Wits Business School - Executive	- Legal Practice Council - South African Institute of Chartered	01 January 2023	31 December 2025		Yes	No	1	0

Name	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Appointment: Term of Office		No. of meetings attended 2024/25	Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Start date	End Date					
	Development Programme ; UJ - Post Graduate Diploma - Labour Law; Wits Business School -Master of Business Administration (MBA); Wits – LLB; UNISA- Honours Bachelor of Accounting Science, (Certified Theory in Accounting - CTA); and Wits - Bachelor of Commerce (Accounting).	Accountants							

* A member absconded and the membership was under review as 31 March 2025, as result, related information was not provided.

Include each member's name, position, qualifications and meeting attendance in tabular form as set out below:

Name (Position)	Qualifications	Is the AC member an employee of an organ of state? (Yes / No)	Number of ordinary meetings attended	Number of special meetings attended
Tebogo Modipane CA(SA)	CA (SA); B Com Honours (CTA); B Com (Accounting); Higher Diploma in Auditing; Certificate in Business Development Systems; and SAICA GRAP Certificate.	NO	3	3
Madumetja Frans Kekana	CA (SA); Executive Coaching (COMENSA & South African Business Coaches); Bcom Accounting Hons/CTA degree; and B.compt Accounting degree.	NO	4	3
Adv. Lufuno Tokyo Nevondwe	Master of Laws (LLM); and Bachelor of Laws (LLB)	NO	4	3
Badimo AMM	Master in Business Administration (MBA); Master of Science; B. Science: Hons Computer Science; B. Science: Computer Science; CISM (Certified Information Security Manager);	No	1	1

Name (Position)	Qualifications	Is the AC member an employee of an organ of state? (Yes / No)	Number of ordinary meetings attended	Number of special meetings attended
	CGEIT (Certified in the Governance of Enterprise IT); CISA (Certified Information Systems Auditor); CRISC (Certified in Risk and Information Systems Control); Cobol Programming Diploma; PMP (Project Management Professional); Cert. IT Auditing; and COBIT 5. ITIL Foundation; Certified ISO 22301 Lead Implementer; Certified ISO 22301 Business Continuity Management Lead Auditor; Certified ISO 27001 ISMS Lead Auditor; Certified ISO/IEC 27005 Lead Risk Manager; and F. Inst D (IoDSA).			
MAJA K.V (C0-opted in Aug 2024)	BCom (Acc); Hons Bcompt; MBL; and CIA.	NO	1	0
Sereku Daisy Lebepe(C0-opted in Aug 2024)	Advocate of the High Courts in South Africa; CA(SA);	YES	1	0

Name (Position)	Qualifications	Is the AC member an employee of an organ of state? (Yes / No)	Number of ordinary meetings attended	Number of special meetings attended
	Wits Business School - Executive Development Programme; UJ - Post Graduate Diploma - Labour Law; Wits Business School -Master of Business Administration (MBA); Wits – LLB; UNISA- Honours Bachelor of Accounting Science, (Certified Theory in Accounting - CTA); and Wits - Bachelor of Commerce (Accounting)			

3.1.11.4 Remuneration of Audit Committee Members

			PUBLIC WORKS	
	Total HRS	Total Amount	HRS	AMOUNT
Cluster Q1 Sub -Total	115	R 266 095,00	57,50	R 133 047,50
Cluster Q2 Sub -Total	119,00	R 283 209,30	59,50	R 141 604,65
Cluster Q3 Sub -Total	90,00	R 222 359,24	53,00	R 131 994,10
Cluster Q4 Sub -Total	137,00	R 325 796,52	68,50	R 162 898,26
Cluster Q4 Payable	9,00	R 20 925,00	4,50	R 10 462,50
CAC Costs Q1	51,54	R 120 271,41	17,18	R 40 090,47
CAC Costs Q2	45,47	R 110 573,31	15,16	R 36 857,77
CAC Costs Q3	32,87	R 86 112,77	10,96	R 28 704,26
CAC Costs Q4	26,58	R 63 479,82	8,86	R 21 159,94
CAC Q4 Payable	2,19	R 7 037,30	0,73	R 2 345,77
Grand Total	628,65	R 1 505 859,68	295,88	R 709 165,22

3.1.12 AUDIT COMMITTEE REPORT

REPORT OF THE AUDIT COMMITTEE ON LIMPOPO DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE

We are pleased to present our report for the financial year ended 31 March 2025.

Audit Committee Structure

Limpopo Provincial Government has an Audit Committee which is two tiered consisting of 4 Cluster Audit Committees, dealing with specific departments, and a shared Central Audit Committee.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein and the related code of conduct, policies and practices.

Stakeholder Engagement/s

The Committee has been able to engage with the following stakeholders:

- Limpopo Provincial Treasury senior management
- Limpopo Provincial Internal Auditors (Shared Internal Audit Services)
- Limpopo Provincial Auditor General (AGSA)
- Limpopo Provincial Treasury and Office of the Premier transversal units

Audit Committee Skills Development

A strategic and induction session was held during the last quarter of the financial year to assist the Audit Committee members better understand their challenging roles and the direction of the province in general.

The Effectiveness of Internal Control

Based on the results of the formal documented review of the design, implementation and effectiveness of the department's system of internal controls conducted by the Internal Audit and AGSA during the financial year ended 31 March 2025, and in addition, considering information and explanations given by management plus discussions held with the external auditor on the results of their audit, the Audit Committee concluded that current internal control systems is not fully effective as significant deficiencies were reported by both the AGSA and Shared Internal Audit Services.

Risk Management

The Audit Committee reviewed the department's policies on risk management and strategy (including IT Governance) and monitored the implementation of risk management policy and strategy. The Committee concluded that there is a notable room for improvement in so far as department's risk management maturity level, in capacitation of the risk management unit and funding of the risk management activities. The department's risk maturity level is not at the desired level and new measures should be put in place to get to a level where risk management is embedded in the culture of the department with a proactive approach to risk management in all aspects of the business.

In-Year Management and Monthly/Quarterly Report

Based on the quarterly review of in-year monitoring systems and reports, the Audit Committee is not satisfied with the quality, accuracy, usefulness, reliability, appropriateness, and adequacy of the department in-year reporting systems. The year-end reporting and review of both the annual financial statements and annual performance report should significantly improve to avoid material adjustments processed after submission to the AGSA.

Internal Audit

The Audit committee:

- Reviewed and approved the annual Internal Audit plans and evaluated the independence, effectiveness and performance of the internal audit function;
- Considered the reports of the Internal Auditors on the department's systems of internal control; and

- Reviewed issues raised by internal audit and the adequacy of corrective action taken by management in response thereto.

Combined assurance

The Audit committee reviewed the plans and reports of the external and internal auditors and other assurance providers including management and concluded that the internal audit unit should finalise the fully implementation of Combined assurance framework.

Compliance with the relevant laws and regulations

The Audit Committee considered reports provided by management, internal assurance providers and the independent auditors regarding compliance with legal and regulatory requirements and concluded that the department did not fully comply with the enabling laws and regulations as well as its departmental policies and standard operating procedures, especially in the area of quality of annual financial statement, strategic planning and performance management, revenue management, expenditure management, asset management, and procurement and contract management.

Evaluation of Annual Financial Statements

Following the review by the Audit Committee of the annual financial statements for the year ended 31 March 2025 before and after the audit, the committee is of the view that the annual financial statements fairly present, in all material respect, the financial position of the department for the year under review and can be incorporated into the annual report.

Evaluation of Annual Performance Report

Following the review by the Audit Committee of the annual performance report for the year ended 31 March 2025 before and after the audit, the committee is of the view that, annual performance report can be incorporated into the annual report.

Consideration of the Final Audit report

The Audit Committee considered final audit report and concurs with the AGSA's unqualified audit opinion. Furthermore, the Audit Committee welcomes the improved audit opinion from qualified in 2023/24 to unqualified opinion in 2024/25. The department should accelerate efforts to satisfactorily resolve the internal control weaknesses that led to the identified internal control deficiencies, non-compliance and material misstatements. Furthermore, the

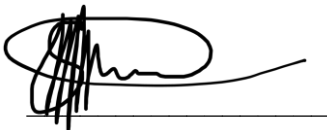
department must also ensure that AGSA findings from the previous financial years are addressed.

Conclusion

The Audit Committee is of the opinion that it is possible for the department to move from unqualified with findings audit opinion to clean audit opinion if management is committed to:

- establishing a stable leadership that is committed to a robust control environment and effective governance;
- diligently observe basic discipline of accounting and records management;
- sufficient management review and supervisory checks;
- closely monitoring the implementation of the audit action plan, internal audit action plan and audit committee recommendations;
- persistently inculcating a culture of ethical leadership, good governance, and accountability;
- ensuring management act on the recommendations of all the oversight structures to strengthen internal controls and improve governance;
- advocating for swift consequences for all reported irregularities and poor performance; and
- ensuring that all critical vacancies are always filled.

We are optimistic that with appropriate intervention and concerted effort from management the department will strengthen governance and improve the internal control environment which will result to improved audit outcomes.



Tebogo Modipane CA (SA)

Chairperson of the Audit Committee

**Department of Public Works, Roads and Infrastructure
13 August 2025**

3.1.13 B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the BBEE requirements of the BBEE Act of 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?	N/A	N/A
Developing and implementing a preferential procurement policy?	Yes	The department developed and implemented a preferential Procurement Policy since 2022/23 FY
Determining qualification criteria for the sale of state-owned enterprises?	N/A	N/A
Developing criteria for entering into partnerships with the private sector?	N/A	N/A
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	N/A	N/A



PART D: HUMAN RESOURCE MANAGEMENT

4.1.1 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.

Overview of Human Resources

The Department's Human Resource Component plays a critical role in building a team of working professionals. It provides support function and leverage service delivery to other programmes in the Department. The fundamental functions of the HR unit include organisational design, recruitment, training human capital, performance appraisals and employee motivation. In a quest to realise its objectives, the Department implements an integrated Human Resource Plan annually which comprises amongst other plans, the Recruitment Plan and a Workplace Skills Plan for the capacitation of critical areas of the Department. The Department complies with the prescribed vacancy rate of 10%. The vacancy rate increased from 3% to 8.6% in the current financial year. The Department is currently at 8.6% which is compliant with the prescribed vacancy rate of 10%.

The Department acknowledges that the health and wellness of its employees is directly and indirectly linked to production and quality of work. The Department is therefore committed to enhancing and maintaining the employee's health and wellness, including the quality of their working life and appropriate environment thus enhancing productivity and service delivery. The Department is further responsible and committed to preventing occupational injuries and diseases in the workplace by continually providing health and safety control measures in line with the available legislations, regulations, codes, standards and practices. Awareness sessions conducted on all the 4 Pillars of Employee Health and Wellness (EHW). Workplace screenings for non-communicable diseases.

The Department is entrusted with a mandate to deliver quality infrastructure for the provincial government. In order to fulfil this mandate, there is an ever-present need for skilled personnel in order to improve productivity, service delivery and sustainability within a fast growing and competitive environment. To achieve this, the Department invests in the training and development of its human resource through the Workplace Skills Plan that is developed and implemented annually. Such training initiatives and priorities conform to the broader national priorities laid down

in the South African training legislations, from which the capacity building programmes are derived, and are also linked to the Departmental Five-Year Strategy and the MTEF Human Resource Plan. Currently the status of SMS women is at 33%, Departmental over-all women representation: 42%, people with disability is at 1.6%.

The following have been identified as some of the main human resource challenges in the Department:

- Difficulty in attracting and retaining scarce skills especially the built environment professions.
- Delays to replace employees when they exit
- Insufficient registered built environment professionals in the Department.
- Lack of funds for training intervention
- Inadequate management of Human Resources Information
- Limited number of posts in the new approved organisational structure.

The Department subscribes to the Provincial Performance Management and Development System (PMDS) Policy for level 1-12, approved in 2018 and Chapter 4 of the Senior Management Service (SMS) Handbook, 2006 on performance management of SMS members. The main purpose of the PMDS is to; enhance performance at strategic and operational levels of the Department by teams and individuals to achieve desired results, to identify individual's potential, strengths, weaknesses and align them to the departmental priorities and strategies, identify and remedy poor performance and to provide a framework for recognising and rewarding good performance. 99% of compliance achieved on submissions for PMDS documents.

Action plans were put in place to ensure that the processes to mitigate risks and challenges identified in human capital management are undertaken. Whilst some improvement in the controls, systems and processes implementation are evidenced in compliance with human resources policies, more strategic and operational interventions are still required in the quest to institutionalise world-class human resource practices in the Department.

4.1.2 Human Resources Oversight Statistics

4.1.3 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 2024 and 31 March 2025

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	493 853,00	258 869,00	0,00	0,00	52,40	567,00
EXPANDED PUBLIC WORK PROGRAM	67 908,00	32 497,00	0,00	0,00	47,90	14,00
INFRASTRUCTURE OPERATIONS	1 012 958,00	364 351,00	0,00	0,00	36,00	485,00
ROADS INFRASTRUCTURE	4 116 880,00	224 095,00	0,00	0,00	5,40	55,00
Total	5 691 600,00	879 812,00	0,00	0,00	15,50	116,00

Table 3.1.2 Personnel costs by salary band for the period 1 April 2024 and 31 March 2025

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)	9 592,00	0,90	54	177 630,00
Skilled (level 3-5)	242 086,00	23,80	790	307 216,00
Highly skilled production (levels 6-8)	328 055,00	30,90	579	550 819,00
Highly skilled supervision (levels 9-12)	245 795,00	24,20	323	833 203,00

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Senior and Top management (levels 13-16)	54 284,00	5,30	43	1 324 000,00
Total	879 812,00	97,50	1789	130 334,00

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2024 and 31 March 2025

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	215 059,00	75,70	10 879,00	3,80	6 808,00	2,40	14 533,00	5,10
Expanded Public Work Program	17 285,00	33,90	3,00	0,00	261,00	0,50	748,00	1,50
Infrastructure Operations	278 703,00	72,60	2 957,00	0,80	13 739,00	3,60	23 568,00	6,10
Roads Infrastructure	168 697,00	56,60	4 183,00	1,40	10 602,00	3,60	9 101,00	6,40
Total	679 745,00	66,80	18 022,00	1,80	31 410,00	3,10	57 950,00	5,70

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2024 and 31 March 2025

Salary band	Salaries		Overtime		Homeowners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)	6 292,00	165,00	72,00	0,70	726,00	7,50	1 784,00	18,60
Skilled (level 3-5)	167 614,00	215,10	2 787,00	1,10	15 246,00	6,20	27 872,00	11,40
Highly skilled production (levels 6-8)	234 972,00	162,00	10 641,00	35,30	11 596,00	3,60	19 763,00	6,20

Salary band	Salaries		Overtime		Homeowners 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
Highly skilled supervision (levels 9-12)	221 747,00	168,00	4 489,00	1,70	3 477,00	1,40	8 016,00	3,10
Senior management (level 13-16)	49 120,00	161,30	0,00	0,00	429,00	0,80	515,00	0,90
Total	679 745,00	66,80	18 022,00	1,80	31 410,00	3,10	57 950,00	5,70

4.1.4 Employment and Vacancies

The tables in this section summarise the position with regard to employment and vacancies. The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment.

This information is presented in terms of three key variables:

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

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

Table 3.2.1 Employment and vacancies by programme as on 31 March 2025

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration, Permanent	489	455	7,00	8

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Expanded Public Work Program, Permanent	27	25	7,40	0
Infrastructure Operations, Permanent	818	751	8,20	33
Roads Infrastructure, Permanent	623	558	10,40	0
Total	1 957	1 789	8,60	41

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2025

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	70	54	22,90	0
Skilled (3-5)	887	790	11,00	2
Highly skilled production (6-8)	609	579	5,00	9
Highly skilled supervision (9-12)	346	323	7,20	28
Senior management (13-16)	45	43	4,70	2
Total	1 957	1 789	8,60	41

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2025

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration Clerks, Permanent	104	91	12,50	0
Administration Officer, Permanent	153	140	8,50	1
Administrative And Governance Policy Manager, Permanent	9	8	11,00	0
Administrative Related, Permanent	1	1	0,00	0
Agricultural & Horticultural Produce Inspector, Permanent	7	7	0,00	0
Air Conditioning And Refrigeration Mechanic, Permanent	1	1	0,00	0
Architect, Permanent	11	10	9,10	6
Archives Manager, Permanent	1	1	0,00	0
Automotive Motor Mechanic, Permanent	22	21	4,50	0
Backhoe Operator, Permanent	1	1	0,00	0
Builder, Permanent	242	216	10,70	0
Builder_S Worker, Permanent	208	193	7,20	0
Caretaker/ Cleaner, Permanent	13	11	15,40	1
Carpenter, Permanent	4	4	0,00	0
Chief Financial Officer, Permanent	1	1	0,00	0
Civil Engineer, Permanent	7	7	0,00	7
Civil Engineering Technician, Permanent	4	4	0,00	4

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Communication And Marketing Manager, Permanent	1	1	0,00	0
Communication Coordinator, Permanent	3	3	0,00	0
Compliance Officer, Permanent	1	1	0,00	0
Construction Project Manager, Permanent	28	26	7,10	4
Contract Manager, Permanent	1	1	0,00	0
Craft & Related Workers Not Elsewhere Classified, Permanent	54	50	7,40	0
Data Entry Clerk, Permanent	4	3	25,00	0
Dispatching And Receiving Clerk, Permanent	18	18	0,00	0
Earthmoving Worker, Permanent	8	8	0,00	0
Electrical Engineer, Permanent	5	5	0,00	3
Electrical Engineering Technician, Permanent	1	1	0,00	1
Employee Wellness Practitioner, Permanent	4	3	25,00	0
Engineering Manager, Permanent	8	8	0,00	0
Environmental Health Officer, Permanent	1	1	0,00	1
Environmental Manager, Permanent	1	1	0,00	0
Facilities Manager, Permanent	2	1	50,00	0
Filing And Registry Clerk, Permanent	7	7	0,00	0
Finance Clerk, Permanent	40	37	7,50	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Finance Manager, Permanent	3	3	0,00	0
Garden Worker, Permanent	66	60	9,10	0
General Accountant, Permanent	8	6	25,00	0
Geographic Information Systems Technician, Permanent	2	2	0,00	0
Grader Operator, Permanent	65	60	7,70	0
Head Of Provincial Department, Permanent	1	1	0,00	1
Human Resource Clerk, Permanent	11	11	0,00	0
Human Resource Manager, Permanent	3	3	0,00	0
Human Resource Practitioner, Permanent	39	33	15,40	0
Human Resources & Organisat Developm & Relate Prof, Permanent	2	1	50,00	0
Ict Systems Analyst, Permanent	2	2	0,00	0
Industrial/ Labour Relations Officer, Permanent	4	4	0,00	0
Information Technology & Systems Manager, Permanent	1	1	0,00	0
Internal Audit Manager, Permanent	1	1	0,00	0
It Engineer, Permanent	2	2	0,00	0
Laundry Worker (General), Permanent	24	20	16,70	0
Legal Related Manager, Permanent	1	1	0,00	0
Librarian, Permanent	1	1	0,00	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Light Vehicle Driver, Permanent	25	23	8,00	0
Managers Not Elsewhere Classified, Permanent	23	21	8,70	0
Mechanical Engineer, Permanent	3	3	0,00	3
Messengers, Permanent	2	2	0,00	0
Midd.Manager: Human Resource & Organisa.Devel. Rela, Permanent	9	9	0,00	0
Middle Manager: Administrative Related, Permanent	23	23	0,00	1
Middle Manager: Engineering Sciences Related, Permanent	5,00	5,00	0,00	0
Middle Manager: Finance And Economics Related, Permanent	13	12	7,70	0
Middle Manager: Information Technology Related, Permanent	3	2	33,30	0
Middle Manager: Internal Audit Related, Permanent	1	1	0,00	0
Middle Manager: Communication & Information Related, Permanent	3	3	0,00	1
Motorcycle Driver, Permanent	1	1	0,00	0
Office Cleaner, Permanent	73	67	8,20	0
Organisational Development Practitioner, Permanent	2	1	50,00	0
Other Middle Manager, Permanent	3	3	0,00	1

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Other Occupations, Permanent	1	1	0,00	0
Personal Assistant, Permanent	9	7	22,20	0
Plant& Machine Operators& Assemblers Nt Classified, Permanent	34	33	2,90	0
Plumber, Permanent	7	6	14,30	0
Policy And Planning Managers, Permanent	3	3	0,00	1
Professionals Not Elsewhere Classified, Permanent	3	3	0,00	0
Programme Or Project Manager, Permanent	2	2	0,00	0
Protection/Security Official, Permanent	10	10	0,00	0
Quantity Surveyor, Permanent	6	6	0,00	2
Receptionist (General), Permanent	1	1	0,00	1
Registry And Mailing Clerk, Permanent	14	14	0,00	0
Regulatory Inspector, Permanent	16	16	0,00	0
Risk And Integrity Manager, Permanent	1	1	0,00	0
Risk And Integrity Specialist, Permanent	3	3	0,00	0
Road Construction Plant Operator, Permanent	221	194	12,20	0
Road Roller Operator, Permanent	71	66	7,00	0
Safety/Health&Environ.& Quality(She&Q)Practitioner, Permanent	1	1	0,00	0
Security Officer, Permanent	9	9	0,00	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Skills Development Facilitator/ Practitioner, Permanent	4	4	0,00	0
Social Worker, Permanent	1	1	0,00	
Strategy/Monitoring &Evaluation Manager, Permanent	1	1	0,00	0
Supply Chain Manager, Permanent	1	1	0,00	0
Supply Chain Practitioner, Permanent	28	26	7,10	0
Surveyor, Permanent	2	2	0,00	2
Switchboard Operator, Permanent	11	10	9,10	0
Systems Administrator, Permanent	3	3	0,00	0
Training Manager, Permanent	1	1	0,00	0
Transport Clerk, Permanent	1	1	0,00	0
Truck Driver (General), Permanent	90	82	8,90	0
Valuer, Permanent	1	1	0,00	0
TOTAL	1 957	1 789	8,60	41

Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
 - (a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available, or they are available but do not meet the applicable employment criteria;
 - (b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction.

- (c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
- (d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

4.1.5 Filling of SMS Posts

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

Table 3.3.1 SMS post information as on 31 March 2025

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					
Salary Level 16	1	1	100%	0	0%
Salary Level 15	1	1	100%	0	0%
Salary Level 14	9	8	89%	1	11%
Salary Level 13	34	33	97%	1	3%
Total	45	43	96%	2	4%

Table 3.3.2 SMS post information as on 30 September 2024

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					
Salary Level 16	1	1	100%	0	0%
Salary Level 15	1	0	0%	1	100%
Salary Level 14	9	8	89%	1	11%
Salary Level 13	34	31	91%	3	9%
Total	45	40	89%	5	11%

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2024 and 31 March 2025

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			
Salary Level 16	0	0	0
Salary Level 15	1	1	0
Salary Level 14	1	0	0
Salary Level 13	4	0	0
Total	6	1	0

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 2024 and 31 March 2025

Reasons for vacancies not advertised within six months
N/A

Reasons for vacancies not filled within twelve months
N/A

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 2024 and 31 March 2025

Reasons for vacancies not advertised within six months
N/A

Reasons for vacancies not filled within six months
N/A

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.

4.1.6 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 2024 and 31 March 2025

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 (Levels1-2)	70	0	0	0	0	0	0
Skilled (Levels 3-5)	887	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	609	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	346	0	0	0	0	0	0
Senior Management Service Band A	34	0	0	0	0	0	0
Senior Management Service Band B	9	0	0	0	0	0	0
Senior Management Service Band C	1	0	0	0	0	0	0
Senior Management Service Band D	1	0	0	0	0	0	0
Total	1 957	0	0	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 2024 and 31 March 2025

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

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 2024 and 31 March 2025

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
None	None	None	None	None
Total number of employees whose salaries exceeded the level determined by job evaluation				0
Percentage of total employed				0

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 2024 and 31 March 2025

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0

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

Notes

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

Total number of Employees whose salaries exceeded the grades determine by job evaluation	None

4.1.7 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 2024 and 31 March 2025

Salary band	Number of employees at beginning of period-1 April 2024	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	36	21	1	2,80
Skilled (Levels3-5)	869	95	122	14,00
Highly skilled production (Levels 6-8)	562	33	75	13,30
Highly skilled supervision (Levels 9-12)	251	36	20	8,00
Senior Management Service Bands A	27	2	1	3,70
Senior Management Service Bands B	9	0	1	11,10

Salary band	Number of employees at beginning of period-1 April 2024	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Senior Management Service Bands C	4	4	4	100,00
Senior Management Service Bands D	1	1	1	100,00
Contracts	42	17	17	506,40
Total	1 801	209	242	13,40

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2024 and 31 March 2025

Critical occupation	Number of employees at beginning of period-April 2024	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Accounting Technician Permanent	0	1	0	0,00
Administration Clerks Permanent	95	13	14	14,70
Administration Officer Permanent	130	11	16	12,30
Administrative And Governance Policy Manager Permanent	8	1	1	12,50
Agricultural & Horticultural Produce Inspector Permanent	5	1	0	0,00
Architect Permanent	8	3	0	0,00
Archives Manager Permanent	1	0	0	0,00
Automotive Motor Mechanic Permanent	26	3	0	0,00
Backhoe Operator Permanent	0	1	0	0,00
Builder Permanent	199	19	21	10,60

Critical occupation	Number of employees at beginning of period-April 2024	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Builder_ S Worker Permanent	171	6	39	22,80
Caretaker/ Cleaner Permanent	12	4	3	25,00
Carpenter Permanent	5	0	0	0,00
Chief Financial Officer Permanent	1	0	0	0,00
Civil Engineer Permanent	8	1	2	25,00
Civil Engineering Technician Permanent	4	0	0	0,00
Communication And Marketing Manager Permanent	1	0	0	0,00
Communication Coordinator Permanent	3	0	0	0,00
Compliance Officer Permanent	1	0	0	0,00
Construction Project Manager Permanent	21	6	2	9,50
Contract Manager Permanent	1	0	0	0,00
Craft & Related Workers Not Elsewhere Classified Permanent	56	2	8	14,30
Data Entry Clerk Permanent	0	4	0	0,00
Dispatching And Receiving Clerk Permanent	14	8	4	28,60
Earthmoving Worker Permanent	87	0	2	2,30
Electrical Engineer Permanent	5	1	2	40,00
Electrical Engineering Technician Permanent	1	0	0	0,00
Elementary Workers Not Elsewhere Classified Permanent	4	7	8	200,00

Critical occupation	Number of employees at beginning of period-April 2024	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Employee Wellness Practitioner Permanent	6	0	1	16,70
Engineering Manager Permanent	6	1	0	0,00
Environmental Health Officer Permanent	1	0	0	0,00
Environmental Manager Permanent	1	0	0	0,00
Facilities Manager Permanent	2	0	1	50,00
Filing And Registry Clerk Permanent	5	2	0	0,00
Finance Clerk Permanent	36	1	4	11,10
Finance Manager Permanent	2	0	0	0,00
Financial Accountant Permanent	3	1	1	33,30
Garden Worker Permanent	62	5	12	19,40
General Accountant Permanent	6	0	0	0,00
Geographic Information Systems Technician Permanent	2	0	0	0,00
Grader Operator Permanent	0	13	0	0,00
Head Of Provincial Department Permanent	0	1	0	0,00
Human Resource Clerk Permanent	8	4	2	25,00
Human Resource Manager Permanent	3	0	0	0,00
Human Resource Practitioner Permanent	34	0	2	5,90
Human Resources & Organisat Developm & Relate Prof Permanent	1	0	0	0,00

Critical occupation	Number of employees at beginning of period-April 2024	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Ict Systems Analyst Permanent	0	2	0	0,00
Industrial/ Labour Relations Officer Permanent	4	0	0	0,00
Information Technology & Systems Manager Permanent	1	0	0	0,00
Internal Audit Manager Permanent	1	0	0	0,00
It Engineer Permanent	2	0	0	0,00
Laundry Worker (General) Permanent	23	7	5	21,70
Legal Related Manager Permanent	1	0	0	0,00
Librarian Permanent	2	0	0	0,00
Light Vehicle Driver Permanent	27	2	9	33,30
Managers Not Elsewhere Classified Permanent	32	1	2	6,30
Mechanical Engineer Permanent	4	0	0	0,00
Messengers Permanent	1	0	0	0,00
Midd.Manager: Human Resource & Organisa. Devel. Rela Permanent	8	0	1	12,50
Middle Manager: Administrative Related Permanent	19	1	0	0,00
Middle Manager: Engineering Sciences Related Permanent	4	2	1	25,00
Middle Manager: Finance And Economics Related Permanent	8	4	1	12,50

Critical occupation	Number of employees at beginning of period-April 2024	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Middle Manager: Information Technology Related Permanent	2	1	1	50,00
Middle Manager: Internal Audit Related Permanent	1	0	0	0,00
Middle Manager: Communication & Information Related Permanent	4	1	1	25,00
Office Cleaner Permanent	58	9	7	12,10
Office Machine Operator Permanent	1	0	1	100,00
Organisational Development Practitioner Permanent	2	0	0	0,00
Other Middle Manager Permanent	0	2	0	0,00
Other Occupations Permanent	1	1	1	100,00
Personal Assistant Permanent	5	3	1	20,00
Plant& Machine Operators& Assemblers Nt Classified Permanent	26	8	1	3,80
Plumber Permanent	4	4	1	25,00
Policy And Planning Managers Permanent	2	0	0	0,00
Programme Or Project Manager Permanent	1	0	0	0,00
Protection/Security Official Permanent	17	0	2	11,80
Quantity Surveyor Permanent	5	2	1	20,00
Receptionist (General) Permanent	1	1	1	100,00
Registry And Mailing Clerk Permanent	14	3	3	21,40

Critical occupation	Number of employees at beginning of period-April 2024	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Regulatory Inspector Permanent	12	4	0	0,00
Risk And Integrity Manager Permanent	1	0	0	0,00
Risk And Integrity Specialist Permanent	2	1	0	0,00
Road Construction Plant Operator Permanent	218	14	41	18,80
Road Roller Operator Permanent	67	1	5	7,50
Safety/Health&Environ.& Quality(She&Q) Practitioner Permanent	3	0	0	0,00
Security Officer Permanent	9	0	0	0,00
Senior Managers Permanent	1	0	1	100,00
Skills Development Facilitator/ Practitioner Permanent	2	1	0	0,00
Social Worker Permanent	1	0	0	0,00
Strategy/Monitoring &Evaluation Manager Permanent	1	0	0	0,00
Supply Chain Practitioner Permanent	13	7	1	7,70
Surveyor Permanent	2	0	0	0,00
Switchboard Operator Permanent	7	2	0	0,00
Systems Administrator Permanent	0	2	0	0,00
Training Manager Permanent	1	0	0	0,00
Transport Clerk Permanent	1	0	0	0,00
Truck Driver (General) Permanent	133	3	9	6,80

Critical occupation	Number of employees at beginning of period-April 2024	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Valuer Permanent	1	0	0	0,00
TOTAL	1 801	209	242	13,40

Notes

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

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

Table 3.5.3 Reasons why staff left the department for the period 1 April 2024 and 31 March 2025

Termination Type	Number	% of Total Resignations
Death	18	7.32
Resignation	22	8.94
Expiry of contract	22	8.94
Dismissal – operational changes	0	0
Dismissal – misconduct	0	0
Dismissal – inefficiency	0	0
Discharged due to ill-health	0	0

Termination Type	Number	% of Total Resignations
Retirement	180	73.17
Transfer to other Public Service Departments	4	1.62
Other	0	0
Total	246	
Total number of employees who left as a % of total employment	1789	13.75

Table 3.5.4 Promotions by critical occupation for the period 1 April 2024 and 31 March 2025

Occupation	Employees 1 April 2024	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
None	None	None	None	None	None
TOTAL	0	0	0	0	0

Table 3.5.5 Promotions by salary band for the period 1 April 2024 and 31 March 2025

Salary Band	Employees 1 April 2024	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)	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0	0
28Senior Management (Level 13-16)	0	0	0	0	0
Total	0	0	0	0	0

4.1.8 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 2025

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, Senior Officials And Managers	115	0	0	1	70	0	1	0	187
Professionals	45	2	0	0	59	1	0	1	108
Technicians And Associate Professionals	67	1	0	8	122	2	0	2	202
Clerks	68	0	0	0	124	3	3	0	198
Service And Sales Workers	15	0	0	0	8	0	0	0	23
Skilled Agriculture And Fishery Workers	0	0	0	0	0	0	0	0	0
Craft And Related Trades Workers	197	0	0	2	64	0	0	0	263
Plant And Machine Operators And Assemblers	325	0	0	0	117	1	0	0	443
Elementary Occupations	205	0	0	1	159	0	0	0	365
Total	1037	3	0	12	723	7	4	3	1789
Employees with disabilities	20	0	0	0	8	0	0	0	28

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2025

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2	0	0	0	0	0	0	0	2
Senior Management	27	0	0	0	14	0	0	0	41
Professionally qualified and experienced specialists and mid-management	174	3	0	11	132	3	1	2	326
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	309	0	0	1	262	4	3	1	580
Semi-skilled and discretionary decision making	505	0	0	0	281	0	0	0	786
Unskilled and defined decision making	20	0	0	0	34	0	0	0	54
Total	1037	3	0	12	723	7	4	3	1789

Table 3.6.3 Recruitment for the period 1 April 2024 to 31 March 2025

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	0	0	0	0	1
Senior Management	3	0	0	0	2	0	0	0	5
Professionally qualified and experienced specialists and mid-management	30	0	0	0	17	0	0	0	4
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	11	0	0	0	24	0	0	0	35
Semi-skilled and discretionary decision making	57	0	0	0	43	0	0	0	100
Unskilled and defined decision making	7	0	0	0	14	0	0	0	21
Total	109	0	0	0	100	0	0	0	209
Employees with disabilities	3	0	0	0	1	0	0	0	4

Table 3.6.4 Promotions for the period 1 April 2024 to 31 March 2025

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.5 Terminations for the period 1 April 2024 to 31 March 2025

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	2	0	0	0	2	0	0	0	4
Professionally qualified and experienced specialists and	17	0	0	0	11	0	0	0	28

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
mid-management									
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	43	0	0	2	30	0	0	1	76
Semi-skilled and discretionary decision making	81	0	0	0	50	0	0	0	131
Unskilled and defined decision making	0	0	0	0	2	0	0	0	2
Total	143	0	0	2	96	0	0	1	242
Employees with Disabilities	3	0	0	0	1	0	0	0	4

Table 3.6.6 Disciplinary action for the period 1 April 2024 to 31 March 2025

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
	12	0	0	0	6	0	0	0	18

Table 3.6.7 Skills development for the period 1 April 2024 to 31 March 2025

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, Senior Officials and Managers	20	1	0	0	35	1	0	0	57
Professionals	4	0	0	0	9	0	0	0	13

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Technicians and Associate Professionals	45	0	0	0	64	2	1	0	112
Clerks	2	0	0	0	25	0	0	0	27
Service And Sales Workers	1	0	0	0	8	0	0	0	9
Skilled Agriculture and Fishery Workers	0	0	0	0	0	0	0	0	0
Craft And Related Trades Workers	21	0	0	0	16	0	0	0	37
Plant And Machine Operators and Assemblers	122	0	0	0	28	0	0	0	150
Elementary Occupations	43	0	0	0	21	0	00		64
Total	258	1	0	0	206	3	1	0	469
Employees with disabilities	4	0	0	0	1	0	0	0	5

4.1.9 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 2024

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				
Salary Level 16	0	0	0%	0
Salary Level 15	0	0	0%	0
Salary Level 14	9	9	100%	9
Salary Level 13	28	28	100%	28
Total	37	37	100%	37

Notes

- In the event of a National or Provincial election occurring within the first three months of a financial year all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example if elections took place in April, the reporting date in the heading of the table above should change to 31 July 2024.

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2025

Reasons
N/A

Notes

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

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2025

Reasons
N/A

Notes

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

4.1.10 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 2024 to 31 March 2025

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	0	1037	0,00	0,00	0,00
Female	0	723	0,00	0,00	0,00
Asian					
Male	0	0	0,00	0,00	0,00
Female	0	4	0,00	0,00	0,00
Coloured					
Male	0	3	0,00	0,00	0,00
Female	0	7	0,00	0,00	0,00
White					
Male	0	12	0,00	0,00	0,00
Female	0	3	0,00	0,00	0,00
Total	0	1789	0,00	0,00	0,00

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2024 to 31 March 2025

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)	0	54	0,00	0,00	0,00	0,00
Skilled (level 3-5)	0	790	0,00	0,00	0,00	0,00
Highly skilled production (level 6-8)	0	579	0,00	0,00	0,00	0,00
Highly skilled supervision (level 9-12)	0	323	0,00	0,00	0,00	0,00
Total	0	1746	0,00	0,00	0,00	0,00

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2024 to 31 March 2025

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Administration Clerks	0	91	0,00	0,00	0,00
Administration Officer	0	140	0,00	0,00	0,00
Administrative And Governance Policy Manager	0	8	0,00	0,00	0,00
Administrative Related	0	1	0,00	0,00	0,00
Agricultural & Horticultural Produce Inspector	0	7	0,00	0,00	0,00

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Air Conditioning And Refrigeration Mechanic	0	1	0,00	0,00	0,00
Architect	0	10	0,00	0,00	0,00
Archives Manager	0	1	0,00	0,00	0,00
Automotive Motor Mechanic	0	21	0,00	0,00	0,00
Backhoe Operator	0	1	0,00	0,00	0,00
Builder	0	216	0,00	0,00	0,00
Builder_S Worker	0	193	0,00	0,00	0,00
Caretaker/ Cleaner	0	11	0,00	0,00	0,00
Carpenter	0	4	0,00	0,00	0,00
Chief Financial Officer	0	1	0,00	0,00	0,00
Civil Engineer	0	7	0,00	0,00	0,00
Civil Engineering Technician	0	4	0,00	0,00	0,00
Communication And Marketing Manager	0	1	0,00	0,00	0,00
Communication Coordinator	0	3	0,00	0,00	0,00
Compliance Officer	0	1	0,00	0,00	0,00
Construction Project Manager	0	26	0,00	0,00	0,00
Contract Manager	0	1	0,00	0,00	0,00
Craft & Related Workers Not Elsewhere Classified	0	50	0,00	0,00	0,00
Data Entry Clerk	0	3	0,00	0,00	0,00
Dispatching And Receiving Clerk	0	18	0,00	0,00	0,00
Earthmoving Worker	0	8	0,00	0,00	0,00
Electrical Engineer	0	5	0,00	0,00	0,00
Electrical Engineering Technician	0	1	0,00	0,00	0,00
Employee Wellness Practitioner	0	3	0,00	0,00	0,00

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Engineering Manager	0	8	0,00	0,00	0,00
Environmental Health Officer	0	1	0,00	0,00	0,00
Environmental Manager	0	1	0,00	0,00	0,00
Facilities Manager	0	1	0,00	0,00	0,00
Filing And Registry Clerk	0	7	0,00	0,00	0,00
Finance Clerk	0	37	0,00	0,00	0,00
Finance Manager	0	3	0,00	0,00	0,00
Garden Worker	0	60	0,00	0,00	0,00
General Accountant	0	6	0,00	0,00	0,00
Geographic Information Systems Technician	0	2	0,00	0,00	0,00
Grader Operator	0	60	0,00	0,00	0,00
Head Of Provincial Department	0	1	0,00	0,00	0,00
Human Resource Clerk	0	11	0,00	0,00	0,00
Human Resource Manager	0	3	0,00	0,00	0,00
Human Resource Practitioner	0	33	0,00	0,00	0,00
Human Resources & Organisat Developm & Relate Prof	0	1	0,00	0,00	0,00
Ict Systems Analyst	0	2	0,00	0,00	0,00
Industrial/ Labour Relations Officer	0	4	0,00	0,00	0,00
Information Technology & Systems Manager	0	1	0,00	0,00	0,00
Internal Audit Manager	0	1	0,00	0,00	0,00
It Engineer	0	2	0,00	0,00	0,00
Laundry Worker (General)	0	20	0,00	0,00	0,00
Legal Related Manager	0	1	0,00	0,00	0,00
Librarian	0	1	0,00	0,00	0,00
Light Vehicle Driver	0	23	0,00	0,00	0,00

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Managers Not Elsewhere Classified	0	21	0,00	0,00	0,00
Mechanical Engineer	0	3	0,00	0,00	0,00
Messengers	0	2	0,00	0,00	0,00
Midd.Manager: Human Resource & Organisa.Devel.Rela	0	9	0,00	0,00	0,00
Middle Manager: Administrative Related	0	23	0,00	0,00	0,00
Middle Manager: Engineering Sciences Related	0	5	0,00	0,00	0,00
Middle Manager: Finance And Economics Related	0	12	0,00	0,00	0,00
Middle Manager: Information Technology Related	0	2	0,00	0,00	0,00
Middle Manager: Internal Audit Related	0	1	0,00	0,00	0,00
Middle Manager: Communication & Information Related	0	3	0,00	0,00	0,00
Motor Cycle Driver	0	1	0,00	0,00	0,00
Office Cleaner	0	67	0,00	0,00	0,00
Organisational Development Practitioner	0	1	0,00	0,00	0,00
Other Middle Manager	0	3	0,00	0,00	0,00
Other Occupations	0	1	0,00	0,00	0,00
Personal Assistant	0	7	0,00	0,00	0,00
Plant& Machine Operators& Assemblers Nt Classified	0	33	0,00	0,00	0,00
Plumber	0	6	0,00	0,00	0,00
Policy And Planning Managers	0	3	0,00	0,00	0,00

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Professionals Not Elsewhere Classified	0	3	0,00	0,00	0,00
Programme Or Project Manager	0	2	0,00	0,00	0,00
Protection/Security Official	0	10	0,00	0,00	0,00
Quantity Surveyor	0	6	0,00	0,00	0,00
Receptionist (General)	0	1	0,00	0,00	0,00
Registry And Mailing Clerk	0	14	0,00	0,00	0,00
Regulatory Inspector	0	16	0,00	0,00	0,00
Risk And Integrity Manager	0	1	0,00	0,00	0,00
Risk And Integrity Specialist	0	3	0,00	0,00	0,00
Road Construction Plant Operator	0	194	0,00	0,00	0,00
Road Roller Operator	0	66	0,00	0,00	0,00
Safety/Health Environ. & Quality(She&Q)Practitioner	0	1	0,00	0,00	0,00
Security Officer	0	9	0,00	0,00	0,00
Skills Development Facilitator/ Practitioner	0	4	0,00	0,00	0,00
Social Worker	0	1	0,00	0,00	0,00
Strategy/Monitoring &Evaluation Manager	0	1	0,00	0,00	0,00
Supply Chain Manager	0	1	0,00	0,00	0,00
Supply Chain Practitioner	0	26	0,00	0,00	0,00
Surveyor	0	2	0,00	0,00	0,00
Switchboard Operator	0	10	0,00	0,00	0,00
Systems Administrator	0	3	0,00	0,00	0,00
TOTAL	0	1 789	0,00	0,00	0,00
Training Manager	0	1	0,00	0,00	0,00
Transport Clerk	0	1	0,00	0,00	0,00
Truck Driver (General)	0	82	0,00	0,00	0,00
Valuer	0	1	0,00	0,00	0,00

Notes

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

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2024 to 31 March 2025

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	0	33	0,00	0,00	0,00	0,00
Band B	0	8	0,00	0,00	0,00	0,00
Band C	0	1	0,00	0,00	0,00	0,00
Band D	0	1	0,00	0,00	0,00	0,00
Total	0	43	0,00	0,00	0,00	0,00

4.1.11 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 2024 and 31 March 2025

Salary band	01 April 2024		31 March 2025		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	0	0,00	0	0,00	0	0,00
Highly skilled production (Lev. 6-8)	0	0,00	0	0,00	0	0,00
Highly skilled supervision (Lev. 9-12)	10	100,00	10	100,00	0	0,00
Contract (level 9-12)	0	0,00	0	0,00	0	0,00
Contract (level 13-16)	0	0,00	0	0,00	0	0,00
Total	10	100,00	10	100,00	0	0,00

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2024 and 31 March 2025

Major occupation	01 April 2024		31 March 2025		Change	
	Number	% of total	Number	% of total	Number	% Change
Engineer	10	100,00	10	100,00	0,00	0,00

4.1.12 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 2024 to 31 December 2024

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	288	92,00	31	2,50	9,00	207,00

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)
Skilled (levels 3-5)	4 351	95,10	575	46,70	8,00	4 314,00
Highly skilled production (levels 6-8)	3 119	87,60	419	34,10	7,00	5 861,00
Highly skilled supervision (levels 9 -12)	1 187	84,90	165	13,40	7,00	3 777,00
Top and Senior management (levels 13-16)	192	93,80	28	2,30	7,00	972,00
Total	9 184	91,00	1 230	100,00	7,00	15 188,00

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2024 to 31 December 2024

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)	18	100,00	1	2,00	18,00	14,00
Skilled (Levels 3-5)	295	100,00	16	32,70	18,00	347,00
Highly skilled production (Levels 6-8)	932	100,00	21	42,90	44,00	1 684,00
Highly skilled supervision (Levels 9-12)	400	100,00	9	18,40	44,00	1 316,00
Senior management (Levels 13-16)	59	100,00	2	4,10	30,00	308,00
Total	1 704	100,00	49	100,00	35,00	3 668,00

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 2024 to 31 March 2025

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	798,00	21	38,00
Skilled Levels 3-5)	20 161,61	23	877,00
Highly skilled production (Levels 6-8)	15 204,00	24	621,00
Highly skilled supervision (Levels 9-12)	6 623,00	24	280,00
Senior management (Levels 13-16)	876,00	23	38,00
Total	43 662.61	91	1 854,00

Table 3.10.4 Capped leave for the period 1 January 2024 to 31 March 2025

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 2025
Lower skilled (Levels 1-2)	0	0	0,00	0,00
Skilled Levels 3-5)	37	4	9,00	71,00
Highly skilled production (Levels 6-8)	39	8	5,00	86,00
Highly skilled supervision (Levels 9-12)	6	2	3,00	97,00
Senior management (Levels 13-16)	0	0	0,00	122,00
Total	82	14	6,00	14,00

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 2024 and 31 March 2025

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2024/25 due to non-utilisation of leave for the previous cycle	28,00	1	28 000,00
Capped leave payouts on termination of service for 2024/25	23 455,00	194	120 902,00
Current leave payout on termination of service for 2024/25	210.00	29	71653
Total	23 693,00	224	

4.1.13 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
Cleaners	-Provision and use of PPEs such as gloves -Quarterly OHS Audits/inspections conducted to identify occupational exposure or risks. -Quarterly SHERQ Management meetings to discuss identified risks and make recommendations. -Investigations of acquired occupationally disease incidents/accidents in the workplace.

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

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		Mr. KhosaKP, Director Employee Health and Wellness, Special programmes and Labour Relations.
2. Does the department have a dedicated unit or has it designated specific staff members to promote	Yes		Employee Health and Wellness Unit. 📍 <u>Head Office</u> - 03 Employees

Question	Yes	No	Details, if yes
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.			District offices- 01 employee Per District. Annual budget=R15 831.000
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	Yes		- EAP marketing - Provide Proactive programmes such as Financial wellness, substance abuse programmes, stress management, Retirement Planning etc - Conduct awareness sessions on Communicable and non-communicable diseases including HIV, STIs and TB, mental health etc - Facilitate Wellness Screening and HCT. Provide psycho-social wellness counselling services to refer employees and follow-up sessions on existing cases
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.		No	The Department is in the process of establishing the Committee during the Second Quarter of 2025/26 FY
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		The Approved Departmental Recruitment, Selection and Appointment as well as the Employment Equity Policies prohibits any form of discrimination (including on the basis of their HIV status)
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		The approved Departmental HIV/AIDS and TB Management Policy-: accommodates employees who are unable to execute their work responsibilities due to ill health (Including HIV disabilities) through the implementation of Reasonable accommodation.

Question	Yes	No	Details, if yes
			 The Policy prohibits denial of benefits to employees based on their HIV status. The Policy also prohibits employees from suffering adverse consequences including dismissal on the basis of their HIV status.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Yes		- During 2024/25 FY, the Department had 22 awareness session for HIV, STIs and TB. 1976 employees were reached and 299 employees tested. - The Department facilitates testing onsite during its awareness sessions which is on quarterly basis. Service providers such as GEMS, ANOVA and DoH are invited for HCT.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Yes		The approved departmental Operational Plans assist in monitoring and evaluating the impact of health promotion programmes. Monthly, quarterly and annual reports are used to monitor and evaluate the programme.

4.1.14 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2024 and 31 March 2025

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	None

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

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2024 and 31 March 2025

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0%
Verbal warning	0	0%
Written warning	11	50%
Final written warning	2	9%
Suspended without pay	2	9%

Outcomes of disciplinary hearings	Number	% of total
Fine	1	4%
Demotion	0	0%
Dismissal	0	0%
Not guilty	0	0%
Case withdrawn	2	9%
Total	18	81%

Notes

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

Total number of Disciplinary hearings finalised	18

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2024 and 31 March 2025

Type of misconduct	Number	% of total
Negligence	17	77%
Absenteeism	1	4%
Total	18	81%

Table 3.12.4 Grievances logged for the period 1 April 2024 and 31 March 2025

Grievances	Number	% of Total
Number of grievances resolved	17	77%
Number of grievances not resolved	1	4%
Total number of grievances lodged	18	81%

Table 3.12.5 Disputes logged with Councils for the period 1 April 2024 and 31 March 2025

Disputes	Number	% of Total
Number of disputes upheld	0	0%
Number of disputes dismissed	3	42%
Total number of disputes lodged	7	100%

Table 3.12.6 Strike actions for the period 1 April 2024 and 31 March 2025

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)	R00

Table 3.12.7 Precautionary suspensions for the period 1 April 2024 and 31 March 2025

Number of people suspended	0
Number of people who's suspension exceeded 30 days	0
Average number of days suspended	0
Cost of suspension(R'000)	R00

4.1.15 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 2024 and 31 March 2025

Occupational category	Gender	Number of employees as at 1 April 2024	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	71	0	68	0	68
	Male	116	0	110	0	110
Professionals	Female	61	0	21	0	21
	Male	47	0	17	0	17
Technicians and Associate Professionals	Female	126	0	53	0	53
	Male	76	0	79	0	79
Clerks	Female	130	0	16	0	16
	Male	68	0	1	0	1
Service and Sales Workers	Female	16	0	5	0	5
	Male	19	0	1	0	1
Skilled Agriculture and	Female	0	0	0	0	0
	Male	0	0	0	0	0

Occupational category	Gender	Number of employees as at 1 April 2024	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Fishery Workers						
Craft And Related Trades Workers	Female	64	0	17	0	17
	Male	199	0	43	0	43
Plant And Machine Operators and Assemblers	Female	118	0	16	0	16
	Male	325	0	119	0	119
Elementary Occupations	Female	159	0	27	0	27
	Male	206	0	57	0	57
Sub Total	Female	745	0	223	0	223
	Male	1056	0	427	0	427
Total		1801	0	650	650	650

Table 3.13.2 Training provided for the period 1 April 2024 and 31 March 2025

Occupational category	Gender	Number of employees as at 1 April 2024	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, Senior Officials and Managers	Female	71	0	36	0	36
	Male	116	0	21	0	21
Professionals	Female	61	0	9	0	9
	Male	47	0	4	0	4
Technicians and Associate Professionals	Female	126	0	67	0	67
	Male	76	0	45	0	45

Occupational category	Gender	Number of employees as at 1 April 2024	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Clerks	Female	130	0	25	0	25
	Male	68	0	2	0	2
Service and Sales Workers	Female	16	0	8	0	8
	Male	19	0	1	0	1
Skilled Agriculture and Fishery Workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and Related Trades Workers	Female	64	0	16	0	16
	Male	199	0	21	0	21
Plant And Machine Operators and Assemblers	Female	118	0	28	0	28
	Male	325	0	122	0	122
Elementary occupations	Female	159	0	21	0	21
	Male	206	0	43	0	43
Sub Total	Female	745	0	210	0	210
	Male	1056	0	259	0	259
Total		1801	0	469	0	469

4.1.16 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 2024 and 31 March 2025

Nature of injury on duty	Number	% of total
Required basic medical attention only	14	0,7825%
Temporary Total Disablement	34	1,9005%
Permanent Disablement	0	0%
Fatal	0	0%
Total	48	2,0268%

4.1.17 Utilisation of Consultants

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

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

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2024 and 31 March 2025

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
None	None	None	None

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
None	None	None	None

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2024 and 31 March 2025

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
None	None	None	None

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2024 and 31 March 2025

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
None	None	None	None

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
None	None	None	None

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2024 and 31 March 2025

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
None	None	None	None

4.1.17 Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2024 and 31 March 2025

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: PFMA COMPLIANCE REPORT

5.1.1.1 INFORMATION ON IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

1.1. Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2023/2024	2024/2025
	R'000	R'000
Opening balance	469 212	883 523
Adjustment to opening balance		
Opening balance as restated		
Add: Irregular expenditure confirmed	414 311	340 439
Less: Irregular expenditure condoned		489 946
Less: Irregular expenditure not condoned and removed		
Less: Irregular expenditure recoverable ¹		
Less: Irregular expenditure not recoverable and written off		
Closing balance	883 523	734 016

Irregular expenditure incurred during 2024/25 is from contracts awarded in prior years. The department implemented consequence management that resulted in irregular expenditure being condoned during this financial year

Reconciling notes

Description	2023/2024	2024/2025
	R'000	R'000
Irregular expenditure that was under assessment		
Irregular expenditure that relates to the prior year and identified in the current year		
Irregular expenditure for the current year	414 311	340 439
Total	414 311	340 439

¹ Transfer to receivables

b) Details of irregular expenditure (under assessment, determination, and investigation)

Description ²	2023/2024	2024/2025
	R'000	R'000
Irregular expenditure under assessment	5	21
Irregular expenditure under determination	544 894	0
Irregular expenditure under investigation	338 624	68 826
Total	883 523	68 847

The investigation on two contracts awarded during 2022/23 and 2023/24 financial years are undergoing the Financial Misconduct Board process, and anticipated to be concluded by the end of the first quarter of 2025/26 financial year

c) Details of irregular expenditure condoned

Description	2023/2024	2024/2025
	R'000	R'000
Irregular expenditure condoned	2 201 547	489 946
Total	2 201 547	489 946

The department implemented consequence management that resulted in irregular expenditure being condoned during this financial year

d) Details of irregular expenditure removed - (not condoned)

Description	2023/2024	2024/2025
	R'000	R'000
Irregular expenditure NOT condoned and removed	0	0
Total	0	0

No irregular expenditure was removed during this financial year

² Group similar items

e) Details of irregular expenditure recoverable

Description	2023/2024	2024/2025
	R'000	R'000
Irregular expenditure recoverable	0	0
Total	0	0

No irregular expenditure recoverable.

f) Details of irregular expenditure written off (irrecoverable)

Description	2023/2024	2024/2025
	R'000	R'000
Irregular expenditure written off	0	0
Total	0	0

No irregular expenditure written off during this financial year.

Additional disclosure relating to Inter-Institutional Arrangements

g) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is not responsible for the non-compliance)

Description
N/A
Total

N/A

h) Details of irregular expenditure cases where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance)³

Description	2023/2024	2024/2025
	R'000	R'000
N/A		
Total		

N/A

i) Details of disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken
N/A

N/A

Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

b)

Description	2023/2024	2024/2025
	R'000	R'000
Opening balance	3 947	28 011
Adjustment to opening balance		
Opening balance as restated		
Add: Fruitless and wasteful expenditure confirmed	27 763	2 272
Less: Fruitless and wasteful expenditure recoverable ⁴		
Less: Fruitless and wasteful expenditure not recoverable and written off	(3 699)	(924)

³ Refer to paragraphs 3.12, 3.13 and 3.14 of Annexure A (PFMA Compliance and Reporting Framework) to National Treasury Instruction No. 4 of 2022/2023

⁴ Transfer to receivables

Description	2023/2024	2024/2025
	R'000	R'000
Closing balance	28 011	29 359

The fruitless and wasteful incurred on long overdue account for Letaba A6 project as interest was charged and paid by the department

Reconciling notes

Description	2023/2024	2024/2025
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment		
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year		
Fruitless and wasteful expenditure for the current year	27 273	2 272
Total	27 273	2 272

c) Details of fruitless and wasteful expenditure (under assessment, determination, and investigation)

Description ⁵	2023/2024	2024/2025
	R'000	R'000
Fruitless and wasteful expenditure under assessment	0	0
Fruitless and wasteful expenditure under determination	0	0
Fruitless and wasteful expenditure under investigation	28 011	29 605
Total	28 011	29 605

Provincial Treasury has appointed the forensic audit serviced to perform investigation of Maphutha Malatjie Rehabilitation project and an amount of R'27 356 is confirmed fruitless and wasteful and R'2 249 is the fruitless expenditure incurred on penalties to Letaba A6 project and the forensic investigation is underway. Provincial Treasury has appointed the forensic audit serviced to perform investigation of Maphutha Malatjie Rehabilitation project and an amount of R'27 356 is confirmed fruitless and wasteful and R'2 249 is the fruitless

⁵ Group similar items

expenditure incurred on penalties to Letaba A6 project and the forensic investigation is underway.

d) Details of fruitless and wasteful expenditure recoverable

Description	2023/2024	2024/2025
	R'000	R'000
Fruitless and wasteful expenditure recoverable	0	0
Total	0	0

There is no fruitless and wasteful expenditure recoverable during this year.

e) Details of fruitless and wasteful expenditure not recoverable and written off

Description	2023/2024	2024/2025
	R'000	R'000
Fruitless and wasteful expenditure written off	3 699	924
Total	3 699	924

The investigation report recommended that the fruitless and wasteful expenditure be written off.

f) Details of disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken
N/A
Total

N/A

1.2. Unauthorised expenditure

a) Reconciliation of unauthorised expenditure

Description	2023/2024	2024/2025
	R'000	R'000
Opening balance	17 135	17 135
Adjustment to opening balance		
Opening balance as restated		
Add: unauthorised expenditure confirmed		
Less: unauthorised expenditure approved with funding		
Less: unauthorised expenditure approved without funding		(17 135)
Less: unauthorised expenditure recoverable ⁶		
Less: unauthorised not recoverable and written off ⁷		
Closing balance	17 135	0

The Department did not incur any unauthorised expenditure during this financial year

Reconciling notes

Description	2023/2024	2024/2025
	R'000	R'000
Unauthorised expenditure that was under assessment		
Unauthorised expenditure that relates to the prior year and identified in the current year	17 135	0
Unauthorised expenditure for the current year	0	0
Total	17 135	0

⁶ Transfer to receivables

⁷ This amount may only be written off against available savings

b) Details of unauthorised expenditure (under assessment, determination, and investigation)

Description	2023/2024	2024/2025
	R'000	R'000
Unauthorised expenditure under assessment	0	0
Unauthorised expenditure under determination	0	0
Unauthorised expenditure under investigation	0	0
Total	0	0

N/A

1.3. Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) &(iii))⁸

a) Details of material losses through criminal conduct

Description	2023/2024	2024/2025
	R'000	R'000
Debts written off	73 373	0
Other material losses		126 677
Less: Recoverable	0	0
Less: Not recoverable and written off	0	0
Total	73 373	126 677

Following the conclusion of a forensic investigation audit into rental management, finalized in December 2024, the department commenced with the implementation of the audit's recommendations. In addition to the forensic audit findings, the department also applied the **Auditor-General South Africa (AGSA)'s five identified scenarios on rental management**, as outlined in the AGSA's management report. These scenarios provided further guidance on the recognition, measurement, and reporting of rental revenue in line with the Modified Cash Standard (MCS).

Reconciliation Process

The reconciliation of accrued departmental revenue was conducted to ensure accurate reporting, recognizing revenue only from tenants with valid lease agreements. The following key elements were utilized during this process:

- House registers
- Approved rental tariffs

⁸ Information related to material losses must be disclosed in the annual financial statements.

- Valid lease agreements
- Statements of account

This exercise resulted in a **restatement of the opening balance** for accrued departmental revenue. The adjustment led to a **decrease** in the previously reported figure due to the exclusion of revenue linked to tenants without valid lease agreements.

Key Contributing Factors

- A significant number of tenants refused to sign updated lease agreements following the implementation of increased rental tariffs.
- Delays in the eviction process due to capacity constraints within the department's legal unit.

Financial Impact

As at 31 March 2025, the department has recorded a **financial loss of R126,677**, which comprises:

- Restated closing balance as of 31 March 2024: **R118,735**
- Revenue movement for the 2024–2025 financial year: **R7,942**

Although this rental debt loss is deemed **material**, the final amount remains **under determination** and is **subject to further investigation**

b) Details of other material losses

Description	2023/2024	2024/2025
	R'000	R'000
(Group major categories, but list material items)	63	623
Total	63	623

The department has implemented debt write off for long outstanding recoverable debt Salary over payment of R551 and tax debt R72 in the with Treasury regulation chapter 114 writing off owing to the state. The debt written off were prescribe unreachable beneficiaries of the decease former officials and deemed uneconomical to recover due to the value of the debt. Accrued departmental revenue written off R44 626 due to rental financial loss, these debts were deemed irrecoverable after all reasonable recovery attempts failed. External debt collectors were engaged, but interest continued to accrue on balances that had no chance of recovery, thus misrepresenting the department's financial position. Management opted to write off these amounts in the department best interest.

c) Other material losses recoverable

Description	2023/2024	2024/2025
	R'000	R'000
<i>(Group major categories, but list material items)</i>	0	0
Total	0	0

Include discussion here where deemed relevant.

d) Other material losses not recoverable and written off

Description	2023/2024	2024/2025
	R'000	R'000
<i>(Group major categories, but list material items)</i>	16 040	
Computer Equipment		95
Furniture and Office Equipment		422
Other Machinery		754
Transport Equipment		1 657
Total	16 040	2 928

Include discussion here where deemed relevant.

5.1.2 INFORMATION ON LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	2023/2024	2024/2025
	R'000	R'000
Valid invoices received	4 245 302	5 662 203
Invoices paid within 30 days or agreed period	4 244 395	5 662 125
Invoices paid after 30 days or agreed period	907	78
Invoices older than 30 days or agreed period (unpaid and without dispute)	0	0
Invoices older than 30 days or agreed period (unpaid and in dispute)	0	0

Three invoices, totalling R78 thousand were initially recorded as paid after 30 days. However, upon review, it was identified that these payments were actually made within 30 days. The discrepancy was due to an error in capturing the correct receipt dates.

5.1.3 INFORMATION ON SUPPLY CHAIN MANAGEMENT

Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Appointment of national School of Government to provide training for 95 officials on compulsory Induction Programme	National School of Government	Sole supplier	RFQ:110/2024-25	R201 693.00
Accommodation	Abigel Travel Agency	Exceeded the prescribed Domestic Accommodation Rates.	RfQ-043/2024/25	R3 300.00
Procurement of Jaws Software Upgrade	Sensory Solutions	Limited Bidding	RFQ-237/2024/25	R37 980.00
Procurement of Renewal of the Subscription fee for Rode Reports.	Rode Publication and Media	Limited Bidding	RFQ-258/2024/25	R7 187.50
Appointment of south African Council for the Property Valuers profession to provide a CPD linked workshop for 02 officials	SA Council for property Valuers Profession	Sole supplier	RFQ:123/2024-25	R16 000.00
Procurement to appoint Microzone to provide training for 59 officials on Proman-lease agreement, rates	Microzone Trading 1274	Limited bidding	RFQ:226/2024-25	R261 089.40

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
and taxes and facility service modules.				
Procurement of jaws Software Upgrade	Sensory Solutions	Limited bidding	RFQ:237/2024-25	R37 342.20
Request for the appointment of a service provider to competency assessment for four (04) candidates director procurement management.	Magoma Research and Development	Limited bidding	RFQ:256/2024-25	R37 342.20
Procurement of broadcaster for EPWP phase V launch at Old Peter Mokaba stadium	SABC Combo	Limited bidding	RFQ:255/2024-25	R356 362.00
Procurement of stationery	Government Printing	Limited bidding	RFQ : 330/2024/25	R4 362.99
Request for the appointment of a service provider to competency assessment for four (04) candidates director procurement management.	Treetops Management & development Consultants	Limited bidding	RFQ:352/2024-25	R37 342.20
Appointment of National School of Government (NSG) to provide training on Compulsory Induction Programme Course for 60	National School of Government	Sole Supplier	RFQ 388-2024/25	R209 220.00

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Officials of the Department of Public Works, Roads and Infrastructure				
Appointment of National School of Government (NSG) to provide training for 45 Officials of the Department on Risk Response and Reporting.	National School of Government	Sole Supplier	RFQ 570-2024/25	R266 355.00
Request to procure Stationery Items from Government Printing as Sole Provider	Government Printing	Sole Supplier	Ref:4/2/9/3	R4 398.29
Reconnection of Current Under Ground Cable	BMK Electronics	The Reconnection of the Heavy Current Electrical under Ground Armoured Cable which was Accidentally Damaged the Repair of the Bust water Pipe.	INS:2025/73	R69 161.00
Total				R124 937 429,50

Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
Rendering of physical security services at various guards posts at Capricorn district for thirty-six (36) months	Mabotwane Security services	Expansion	LDPWRI-RS/20001/01	R12 411 770,04		R4 826 799,46
Rendering of physical security services at various guards posts at Capricorn district for thirty-six (36) months	R-S Security services	Expansion	LDPWRI-RS/20001/02	R11 871 112,32		R4 616 543,68
Rendering of physical security services at various guards posts at Capricorn district for thirty-six (36) months	Molapo-Motle Enterprise Construction	Expansion	LDPWRI-RS/20001/03	R11 921 397,84		R4 636 099,16
Rendering of physical security services at various guards posts	Wowo Trading and project	Expansion	LDPWRI-RS/20001/04	R11 793 600,00		R4 586 400,00

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
at Capricorn district for thirty-six (36) months						
Rendering of physical security services at various guards' posts at Capricorn district for thirty-six (36) months	Matjekelane Security services Gubis solution	xpansion	LDPWRI-RS/20001/05	R10 724 436,00		R4 170 614,00
Rendering of physical security services at various guards posts at Capricorn district for thirty-six (36) months	Brown Dogs Security Unity	Expansion	LDPWRI-RS/20001/06	R12 668 400,00		R4 926 600,00
Rendering of physical security services at various guards posts at Capricorn district for thirty-six (36) months	Bravospan 90 cc	expansions	LDPWRI-RS/20001/07	R15 098 580,00		R5 871 670.00
Rendering of physical security services at various guards posts	Gubis 85 Solution	expansion	LDPWRI-RS/20001/08	R10 470 600,00		R4 071 900,00

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
at Capricorn district for thirty-six (36) months						
Rendering of physical security services at various guards posts at Sekhukhune district for thirty-six (36) months	Tshegane Business Enterprise	Expansion	LDPWRI-RS/20001/09	R11 612 700,00		R4 516 050.00
Rendering of physical security services at various guards posts at Sekhukhune district for thirty-six (36) months	Linspire 134 cc	Expansion	LDPWRI-RS/20001/10	R11 515 401,00		R4 478 211.50
Rendering of physical security services at various guards posts at Sekhukhune district for thirty-six (36) months	Hwibidu Group (PTY)LTD	Expansion	LDPWRI-RS/20001/11	R12 369 369,96		R4 810 310,54
Rendering of physical security services at various guards posts at Sekhukhune district	Mathomomayo Investment holdidng cc	Expansion	LDPWRI-RS/20001/12	R14 207 406,84		R5 525 102,66

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
for thirty-six (36) months						
Rendering of physical security services at various guards posts at Waterberg district for thirty-six (36) months	Mazaxa Construction And Projects	Expansion	LDPWRI-RS/20001/13	R14 435 999,64		R5 613 999,86
Rendering of physical security services at various guards posts at Waterberg district for thirty-six (36) months	Both Best Training And Projects	Expansion	LDPWRI-RS/20001/14	R11 334 981,60		R4 408 048,40
Rendering of physical security services at various guards posts at Waterberg district for thirty-six (36) months	LL Security Service	Expansion	LDPWRI-RS/20001/15	R12 731 700,60		R4 951 216,90
Rendering of physical security services at various guards posts at Waterberg district	KTS General Trader	Expansion	LDPWRI-RS/20001/16	R13 555 823,76		R5 271 709,24

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
for thirty six (36) months						
Rendering of physical security services at various guards posts at Waterberg district for thirty-six (36) months	Mphosha Security Services	Expansion	LDPWRI-RS/20001/17	R11 177 991,72		R4 346 996,78
Rendering of physical security services at various guards posts at Waterberg district for thirty-six (36) months	Motane Investment Cc	Expansion	LDPWRI-RS/20001/18	R11 285 920,80		R4 388 969,20
Rendering of physical security services at various guards posts at Waterberg district for thirty-six (36) months	George B Security Services	Expansion	LDPWRI-RS/20001/19	R11 215 293,12		R4 361 502,88
Rendering of physical security services at various guards posts at Mopani district for thirty-six (36) months	Eulitsaki Construction And Cleaning Enterprise	Expansion	LDPWRI-RS/20001/20	R11 060 200,80		R4 301 189,20

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
Rendering of physical security services at various guards posts at Mopani district for thirty-six (36) months	Linda Integrate Security	Expansion	LDPWRI-RS/20001/21	R9 691 209,72		R3 768 803,78
Rendering of physical security services at various guards posts at Vhembe district for thirty-six (36) months	Dimo Le Dikwena Security Services (PTY) LTD	Expansion	LDPWRI-RS/20001/22	R10 735 200,00		R4 174 800,80
Rendering of physical security services at various guards posts at Vhembe district for thirty-six (36) months	Molebogeng Security Services	Expansion	LDPWRI-RS/20001/23	R10 088 559,72		R3 923 328,78
Rendering of physical security services at various guards posts at Vhembe district for thirty-six (36) months	Life At Its Best Protection	Expansion	LDPWRI-RS/20001/24	R13 683 600,00		R5 321 400,00
Rendering of physical security services at various guards posts	Musangweni Security JV/Great Fox One	Expansion	LDPWRI-RS/20001/25	R11 269 152,00		R4 382 448,00

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
at Vhembe district for thirty-six (36) months						
Rendering of physical security services at various guards posts at Vhembe district for thirty-six (36) months	NKFC Security And Projects	Expansion	LDPWRI-RS/20001/26	R11 053 800,00		R4 298 700,00
Rendering of physical security services at various guards posts at Vhembe district for thirty-six (36) months	Rigayisi Development Services	Expansion	LDPWRI-RS/20001/27	R11 283 466,32		R4 388 014,68



PART F: AG'S REPORT

1. REPORT OF THE AUDITOR-GENERAL

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

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Public Works, Roads and Infrastructure set out on pages 224 to 358, which comprise the appropriation statement, statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, and the cash flow statement and for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Public Works, Roads and Infrastructure as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standards (MCS) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 24 of 2024 (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 responsibilities of the auditor-general 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.

Restatement of corresponding figures

7. As disclosed in note 43 to the financial statements, the corresponding figures for 31 March 2024 were restated as a result of an error in the financial statements of the department at, and for the year ended, 31 March 2025.

Other matter

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

Unaudited supplementary schedules

9. The supplementary information set out on pages 355 to 396 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

10. 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.
11. 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.

Responsibilities of the auditor-general for the audit of the financial statements

12. 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.

13. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page xx, forms part of my auditor's report.

Report on the audit of the annual performance report

14. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

15. I selected the following programmes presented in the annual performance report for the year ended 31 March 2025 for auditing. I selected programmes that measures the department's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Programme 02: Infrastructure operations	42 - 54	To manage provincial government and facilities, manage infrastructure and maintenance for health, education and provincial department
Programme 04: Road infrastructure	58 - 61	To manage road infrastructure in the province

16. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the department's planning and delivery on its mandate and objectives.

17. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives

- all the indicators relevant for measuring the department's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable.
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.

18. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

19. The material findings on the reported performance information for the selected programmes are as follows:

Programme 02: Infrastructure operations

Number of Infrastructure Programme Implementation Plans (IPIP) for 2025-26 developed

20. An achievement of 6 IPIPs was reported against a target of 5 IPIPs. However, the audit evidence showed the actual achievement to be only 5 IPIPs. Consequently, the achievement against the target was lower than reported.

Various indicators

21. Based on the audit evidence, the actual achievement for the following indicators did not agree to the achievements reported. Consequently, the targets were not achieved, and the achievements against the targets were lower than reported.

Indicator	Target	Reported achievement	Actual achievement

Number of facilities provided	5	5	4
Number of planned maintenance projects completed	4	6	0

Programme 04: Road infrastructure

22. I did not identify any material findings on the reported performance for the selected programme.

Other matter

23. I draw attention to the matter below.

Achievement of planned targets

24. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under achievements. This information should be considered in the context of the material findings on the reported performance information.

25. The table that follows provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages 44 to 62.

Programme 02: Infrastructure operations

<i>Targets achieved: 93%</i> <i>Budget spent 96%</i>		
Key indicator not achieved	Planned target	Reported achievement
Number of properties disposed of	13	3

Programme 04: Roads Infrastructure

<i>Targets achieved: 88%</i> <i>Budget spent 93%</i>		
Key indicator not achieved	Planned target	Reported achievement
Number of persons with disabilities employed	22	18

Material misstatements

26. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for infrastructure operations and roads infrastructure. Management did not correct all the misstatements, and I reported material findings in this regard.

Report on compliance with legislation

27. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the department's compliance with legislation.

28. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

29. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the department, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

30. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements

31. The financial statements submitted for auditing were not fully prepared in accordance with the prescribed financial reporting framework and supported by full and proper records, as required by section 40(1)(a) and (b) of the PFMA. Material misstatements of current assets, expenditure and disclosure items identified by the auditors in the submitted financial statement were corrected and the supporting records were provided subsequently, resulting in the financial statements receiving an unqualified opinion.

Revenue management

32. Appropriate processes were not implemented to provide for the identification, collection, recording and reconciliation of revenue, as required by treasury regulation 7.2.1.
33. Effective and appropriate steps were not taken to collect all money due, as required by section 38(1)(c)(i) of the PFMA.
34. Reasonable steps were not taken to recover debts before writing them off, as required by treasury regulation 11.4.1.
35. Bad debt was written off contrary to the requirements of the department's write-off policy, as required by treasury regulation 11.4.2.

Asset management

36. Proper control systems were not in place at the department to ensure the safeguarding of assets, as required by section 38(1)(d) of the PFMA.
37. Preventative mechanisms were not in place to eliminate loss, wastage and misuse of assets, as required by treasury regulation 10.1.1(a).

Expenditure management

38. Effective steps were not taken to prevent fruitless and wasteful expenditure, as disclosed in note 31 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 payments that were made in vain and could have been avoided.

Strategic planning and performance management

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

Procurement and contract management

40. Some of the contracts were not awarded in an economical manner and/or the prices of the goods or services were not reasonable as required by PFMA 38(1)(b) and 45(b) or paragraph 3.2.4 (b) of SCM instruction note 2 of 2021/22. Similar non-compliance was also reported in the prior year.
41. Some of the construction contracts were awarded to contractors that were not registered with the Construction Industry Development Board and/or did not qualify for the contract in accordance with section 18(1) of the Construction Industry

Other information in the annual report

42. The accounting officer is responsible for the other information included in the annual report which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
43. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
44. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
45. The other information I obtained prior to the date of this auditor's report are the accounting officer's report and irregular, fruitless and wasteful expenditure, unauthorised expenditure and material losses. All other outstanding reports including the audit committee are expected to be made available to us after 31 July 2025.
46. I have performed work on the other information obtained prior to the date of this auditor's report and I concluded that there were no material misstatements identified.
47. When I do receive and read the audit committee and other outstanding reports, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

48. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

49. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the opinion, material findings on the annual performance report and the material findings on compliance with legislation included in this report.
50. The accounting officer and management did not perform adequate reviews on the financial statements, performance reporting and compliance with laws and regulations
51. The accounting officer did not adequately review the financial statements and annual performance report for accuracy and completeness.
52. Internal controls for monitoring compliance with laws and regulations were ineffective as they did not detect and prevent instances of non-compliance with applicable laws and regulations.

Material irregularities

53. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of material irregularities as previously reported in the auditor's report.

Material irregularities identified during the audit

54. The material irregularities identified are as follows:

Approval of standing time during site closure

55. A contract for construction of the new Out-Patient Department (OPD) at Maphutha Malatjie Hospital was entered into on 1 February 2017. The scope of works included the demolishing of the old paediatric ward and laboratory, construction of a new OPD, pharmacy, X-ray, health support, staff OHS, dental, laboratory, administration and casualty department. The project duration was for a period of 36 months and the contract amount was R353 883 626. The site was handed over on 13 February 2017 with a planned completion date of 19 February 2020. The project completion date was then requested to be revised to 3 July 2021.
56. The site was closed between 27 September 2021 to 28 February 2023 due to the department not honouring the payments, major disruptions, riots and strikes. The department approved R14 608 947 relating to extension of time number 5 for the period from 27 September 2021 to 28 February 2023. During this period, the contractor de-established the site and there were no activities on site. The non-compliance resulted in a likely material financial loss of R14 608 947 relating to extension of time. The department did not get value for the amount paid and the

resources of the department were not efficiently and effectively utilised as required in terms of section 38(1)(b) of the PFMA.

57. The accounting officer was notified of the material irregularity (MI) on 17 March 2025 and invited to make a written submission on the actions taken to address the matter. The accounting officer responded on 17 April 2025. The following actions have been taken to address the MI:

- The provincial treasury appointed a forensic investigation company on 8 March 2024 to investigate circumstances that led to the delay in completing the project and the project financial overruns, which was finalised on 28 February 2025. The investigation did not cover the non-compliance relating to the extension of time.
- On 30 July 2025, the accounting officer granted approval to conduct a determination test or analysis on the particulars of non-compliance relating to the extension of time to establish the facts and losses incurred. The determination test will be conducted by the internal control and compliance unit and will be concluded on or before 30 August 2025.
- Registered professionals including project managers within the department will monitor and evaluate of project milestones and performance.
- Executive management will provide overall monitoring and evaluation of programmes and projects, to ensure governance and accountability.
- The department established a departmental infrastructure coordination committee (DICC) on 1 April 2024, which is fully functional. The DICC meets monthly to coordinate and to ensure that infrastructure planning and implementation roll out is monitored and evaluated. The DICC ensures that there is integrated planning and implementation of all infrastructure projects on behalf of provincial departments.
- The accounting officer further approved the standard operating procedures (SOP) on 26 June 2024 for implementation of projects which is implemented by program 02 and 04 program managers and officials as a preventative control.

58. The accounting officer developed and submitted an implementation plan on 13 May 2025 to address the recommendations in the investigation report. As of that date, the report on the implementation of the investigation was still ongoing.

59. I will follow up on implementation plan of the forensic investigation, determination test conducted and corrective action during my next audit.

Remedial works identified on deteriorated items due to site closure

60. A contract for construction of the new OPD at Maphutha Malatjie Hospital was entered into on 1 February 2017. The scope of works included the demolishing of old paediatric ward and laboratory, construction of a new OPD, pharmacy, X-ray, health support, staff OHS, dental, laboratory, administration and casualty department. The project duration was for a period of 36 months and the contract amount was R353 883 626. The site was handed over on 13 February 2017 with a planned completion date of 19 February 2020. The project completion date was then requested to be revised to 3 July 2021.
61. The site was closed between 27 September 2021 to 28 February 2023 due to poor interdepartmental coordination between the department and the Limpopo Department of Health. This resulted in disagreements between the two departments, and the conflicts extended to the approval of the variation orders, payment of contractors due to the lapsing construction guarantees as the project was contracted to be finalised on 15 February 2020 and the resultant impact due to the overruns of the project. The project was delayed, and practical completion was reached on 12 December 2024. The consequential impact of the closure (which lasted over one year) was that items such as elevated tanks, doors, sewer treatment plants, water supply were damaged and deteriorated. As a result, these items that were previously billed, were once again billed for in the new bill of quantity. The non-compliance resulted in a likely material financial loss of R8 988 236 as the resources of the department were not efficiently and effectively utilised as required in terms of section 38(1)(b) of the PFMA.
62. The accounting officer was notified of the MI on 29 April 2025 and invited to make a written submission on the actions taken to address the matter. The accounting officer responded on 13 May 2025. The following actions have been taken to address the MI:
- The provincial treasury appointed a forensic investigation company on 8 March 2024 to investigate circumstances that led to the delay in completing the project and the project financial overruns, which was finalised on 28 February 2025. The investigation confirmed the non-compliance.
 - On 30 July 2025, the accounting officer granted approval to conduct a determination test or analysis of the particulars of non-compliance relating to the extension of time to establish the facts and losses incurred. The determination test will be conducted by the internal control and compliance unit and will be concluded on or before 30 August 2025.

- Registered professionals including project managers within the department will monitor and evaluate of project milestones and performance
- Executive management will provide overall monitoring and evaluation of programmes and projects, to ensure governance and accountability
- The department established a departmental infrastructure coordination committee (DICC) on 1 April 2024 which is fully functional. The DICC meets monthly to coordinate, and to ensure that infrastructure planning and implementation roll out is monitored and evaluated. The DICC ensures that there is integrated planning and implementation of all infrastructure projects on behalf of provincial departments.
- The accounting officer further approved the standard operating procedures (SOP) on 26 June 2024 for implementation of projects which is implemented by program 02 and 04 program managers and officials as a preventative control.

63. The accounting officer developed and submitted an implementation plan on 13 May 2025 to address the recommendations in the investigation report. As of that date, the report on the implementation of the investigation was still ongoing.

64. I will follow up on the implementation plan of the forensic investigation, determination test conducted and corrective action during my next audit.

Status of previously reported material irregularities

Payments of electricity to officials who rent government properties.

65. The department entered into lease agreements with various government employees for the provision of accommodation. As per the lease agreements, the lessees are liable for charges of the property, including charges of electricity. Although the lease agreement states that the lessee will be responsible for charges of electricity, the department did not charge the tenants for electricity consumption and has been paying for the tenant's electricity consumption. The non-compliance resulted in a material likely financial loss of R1 213 021.

66. The accounting officer was notified of the MI on 30 August 2023 and invited to make a written submission on the actions taken to address the matter. The accounting officer responded on 13 September 2023, 6 February 2024, 17 July 2024 and 8 April 2025, respectively. The following actions have been taken to address the MI:

- A forensic investigation was commissioned on 31 January 2024 to determine the value of the financial loss, identify the person(s) and/or official(s)

responsible for the transgressions and propose internal control systems to prevent recurrence of the audit finding. The investigation was concluded on 9 December 2024, the department then developed an implementation plan on 28 February 2025 which is monitored on a monthly basis.

- The accounting officer approved an impracticability assessment report relating to the charging of water and electricity from the previous financial years until 1 November 2023. These relate to the inability by the department to charge retrospectively the amount of water and electricity to the tenants due to (i) non alignment of house registers and lease agreements due to legacy tenancy issues; (ii) human resource capacity constraints at the district rental department level; (iii) tenants were not notified of the global tariffs on water and electricity; (iv) moratorium imposed by standing committee on public accounts (SCOPA) on rental stock sales, which increased deferred maintenance resulting in security and hostility threats to the officials.
- The accounting officer also appointed a debt write off committee on 1 April 2024 and all application submissions for write off are quality assured for compliance prior to recommendation to implement write offs.
- Prepaid meters were installed in unmetered houses especially those in the road camps, in Capricorn, Waterberg, Sekhukhune, and Mopani districts. The installation projects were initiated from 29 November 2023 and final handover completed on 11 April 2024. The installation in the Vhembe has not yet started and the department is still negotiating a commencement date with the municipality. Furthermore, in the road camps or cost centres where installation has not been completed, the department is charging for the water and electricity based on the approved global tariffs
- A joint committee on accrued departmental revenue was established on 1 April 2024 led by the Chief Director: District Coordination consisting of various divisions (e.g. finance, property and facilities, districts and internal control) to deal with the outcomes and the implementation of the forensic investigation.
- The accounting officer implemented various measures to address governance and operational challenges from the rental management eco-system to reduce the extent of the financial loss which includes a revised rental management policy, standard operating procedures on debt management and illegal occupation, invasion and eviction of illegal occupiers on state immovable property.

67. The investigation did not recommend consequence management to any official within the department due to the breakdown of internal controls emanating in the 2014-15 financial year.

68. I received the accounting officer's written submission on 8 April 2025 and additional substantiating evidence. I considered the representations made and the substantiating documents provided and concluded that appropriate actions were taken to address the MI. Therefore, I will not pursue this matter any further.

Auditor-General

Polokwane

31 July 2025



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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 selected requirements in key legislation.

Financial statements

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
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of

the department 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

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.

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.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Section, regulation or paragraph
Public Finance Management Act 1 of 1999	Section 1; 38(1)(b); 38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(f); 38(1)(h)(iii); 39(1)(a); 39(2)(a); 40(1)(a); 40(1)(b); 40(1)(c)(i); 43(1); 43(4); 44; 45(b)
Treasury Regulations, 2005	Regulation 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1; 6.3.1(a); 6.3.1(b); 6.3.1(c); 6.3.1(d); 6.4.1(b); 7.2.1; 8.1.1; 8.2.1; 8.2.3; 8.4.1; 9.1.1; 9.1.4; 10.1.1(a); 10.1.2; 11.4.1; 11.4.2; 11.5.1; 12.5.1; 15.10.1.2(c); 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(b); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A7.1; 16A7.3; 16A7.6; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii); 17.1.1; 18.2; 19.8.4

Legislation	Section, regulation or paragraph
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
Division of Revenue Act 24 of 2024	Section 11(6)(a); 12(5); 16(1); 16(3); 16(3)(a)(i); 16(3)(a)(ii)(bb)
National Health Act 61 of 2003	Section 13
National Treasury Instruction No. 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
Second amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Treasury Instruction No. 1 of 2021/22	Paragraph 4.1
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.

Legislation	Section, regulation or paragraph
National Treasury Practice Note 5 of 2009/10	Paragraph 3.3
National Treasury Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulation, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulation, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; 6.6; 6.8; 7.1; 7.2; 7.3; 7.6; 7.8; 8.2; 8.5; 9.1; 10.1; 10.2; 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
Public Service Regulations, 2016	Regulation 18(1); 18(2); 25(1)(e)(i); 25(1)(e)(iii)
State Information Technology Agency Act 88 of 1998	Section 7(3)



PART F: FINANCIAL INFORMATION

**Annual Report for 2024/25 Financial Year Vote 09:
Department of Public Works, Roads and Infrastructure (Limpopo Province)**

**APPROPRIATION STATEMENT
for the year ended 31 March 2025**

Appropriation per programme									
2024/25								2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1. Administration	489 190	-	8 849	498 039	476 350	21 689	95.6%	466 322	438 018
2. Infrastructure Operations	1 073 464	-	(9 460)	1 064 004	958 793	105 211	90.1%	998 531	948 644
3. EPWP	76 516	-	(112)	76 404	67 504	8 900	88.4%	82 319	81 935
4. Roads and Infrastructure	4 432 228	-	611	4 432 839	4 116 671	316 168	92.9%	3 548 400	3 498 852
Subtotal	6 071 398	-	(112)	6 071 286	5 619 318	451 968	92.6%	5 095 572	4 967 449`
Statutory Appropriation	2 215	-	112	2 327	2 327	-	100%	2 145	2 145
Member of Executive Authority	2 215	-	112	2 327	2 327	-	100%	2 145	2 145
TOTAL	6 073 613	-	-	6 073 613	5 621 645	451 968	92.6%	5 097 717	4 969 594

	2024/25				2023/24	
	Final Budget	Actual Expenditure			Final Budget	Actual Expenditure
	R'000	R'000			R'000	R'000
TOTAL (brought forward)						
Reconciliation with statement of financial performance						
ADD						
Departmental receipts	141 294				51 419	
NRF Receipts	-				-	
Aid assistance	-				-	
Actual amounts per statement of financial performance (Total revenue)	6 214 907				5 149 136	
ADD						
Aid assistance		-				-
Prior year unauthorised expenditure approved without funding		17 135				
Actual amounts per statement of financial performance (Total expenditure)		5 638 780				4 969 594

**Annual Report for 2024/25 Financial Year Vote 09:
Department of Public Works, Roads and Infrastructure (Limpopo Province)**

**APPROPRIATION STATEMENT
for the year ended 31 March 2025**

Appropriation per economic classification									
2024/2025								2023\2024	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	2 489 500	(623)	(2 914)	2 485 963	2 117 982	367 981	85.2%	2 128 836	2 049 391
Compensation of employees	931 575	-	(2 914)	928 661	879 408	49 253	94.7%	858 423	853 626
Goods and services	1 557 925	(646)	-	1 557 279	1 238 551	318 728	79.5%	1 270 354	1 195 706
Interest and rent on land	-	23	-	23	23	-	100.0%	59	59
Transfers and subsidies	3 105 916	-	2 914	3 108 830	3 106 536	2 294	99.9%	2 596 376	2 590 011
Provinces and municipalities	173 527	-	-	173 527	172 268	1 259	99.3 %	216 571	212 350
Departmental agencies and accounts	2 895 431	-	-	2 895 431	2 895 431	-	100%	2 345 940	2 345 940
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	36 958	-	2 914	39 872	38 837	1 035	97.4%	33 865	31 721
Payments for capital assets	478 197	-	-	478 197	396 504	81 693	82.9%	372 441	330 129

Buildings and other fixed structures	328 164	-	-	328 164	249 398	78 766	76.0%	245 056	220 486
Machinery and equipment	150 033	-	-	150 033	147 106	2 927	98.0%	127 385	109 643
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	623	-	623	623	-	100.0%	64	63
Total	6 073 613	-	-	6 073 613	5 621 645	451 968	92.6%	5 097 717	4 969 594

Programme 1: ADMINISTRATION									
2024/2025								2023/2024	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	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	7 515	1 187	-	8 702	7 901	801	90.8%	7 371	7 306
2. HEAD OF DEPARTMENT	15 781	(2 270)	-	13 511	13 596	(85)	100.6%	13 081	11 089
3. CORPORATE SUPPORT	465 894	1 083	8 849	475 826	454 853	20 973	95.6%	445 924	419 623
Total for sub programmes	489 190	-	8 849	498 039	476 350	21 689	95.6%	466 322	438 018
Economic classification									
Current payments	455 078	(80)	9 460	464 458	444 071	20 387	95.6%	430 756	419 860
Compensation of employees	248 275	-	9 460	257 735	240 600	17 135	93.4%	243 889	240 958

**Annual Report for 2024/25 Financial Year Vote 09:
Department of Public Works, Roads and Infrastructure (Limpopo Province)**

**APPROPRIATION STATEMENT
for the year ended 31 March 2025**

Goods and services	206 803	(80)	-	206 723	203 471	3 252	98.4%	186 867	178 902
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	14 203	-	(574)	13 629	12 579	1 050	92.3%	11 584	11 325
Provinces and municipalities	597	-	-	597	328	269	54.9%	481	221
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	13 606	-	(574)	13 032	12 251	781	94.0%	11 103	11 104
Payments for capital assets	19 909	-	(37)	19 872	19 620	252	98.7%	23 982	6 834
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	19 909	-	(37)	19 872	19 620	252	98.7%	23 982	6 834
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	80	-	80	80	-	100.0%	-	(1)
Total	489 190	-	8 849	498 039	476 350	21 689	95.6%	466 322	438 018

Programme 2: INFRASTRUCTURE OPERATIONS									
2024/25								2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. PROPERTY & FACILITIES MANAGEMENT	558 357	(13 081)	(3 374)	541 902	453 114	88 788	83.6%	504 063	480 472
2. HEALTH INFRASTRUCTURE MANAGEMENT	109 456	(817)	(6 500)	102 139	100 010	2 129	97.9%	155 438	153 596
3. EDUCATION INFRASTRUCTURE MANAGEMENT	12 671	2 984	-	15 655	15 653	2	100.0%	12 706	12 087
4. PROVINCIAL DEPARTMENTS INFRASTRUCTURE MANAGEMENT	366 737	10 278	1 521	378 536	364 529	14 007	96.3%	306 773	283 652
5. DISTRICT COORDINATION AND DEPARTMENTAL OPERATIONS	26 243	636	(1 107)	25 772	25 487	285	98.9%	19 551	18 837
Total for sub programmes	1 073 464	-	(9 460)	1 064 004	958 793	105 211	90.1%	998 531	948 644
Economic classification									
Current payments	554 958	(411)	(12 374)	542 173	519 357	22 816	95.8%	523 174	504 359
Compensation of employees	405 426	-	(12 374)	393 052	380 709	12 343	96.9%	361 815	361 385
Goods and services	149 532	(434)	-	149 098	138 625	10 473	93.0%	161 300	142 915
Interest and rent on land	-	23	-	23	23	-	100.0%	59	59
Transfers and subsidies	184 092	-	2 914	187 006	186 052	954	99.5%	227 164	221 256

**Annual Report for 2024/25 Financial Year Vote 09:
Department of Public Works, Roads and Infrastructure (Limpopo Province)**

**APPROPRIATION STATEMENT
for the year ended 31 March 2025**

Provinces and municipalities	171 000	-	-	171 000	170 046	954	99.4%	214 000	210 000
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	13 092	-	2 914	16 006	16 006	-	100.0%	13 164	11 216
Payments for capital assets	334 414	-	-	334 414	252 973	81 441	75.6%	248 155	222 991
Buildings and other fixed structures	328 164	-	-	328 164	249 398	78 766	76.0%	245 056	220 486
Machinery and equipment	6 250	-	-	6 250	3 575	2 675	57.2%	3 099	2 505
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	411	-	411	411	-	100.0%	38	38
Total	1 073 464	-	(9 460)	1 064 004	958 793	105 211	90.1%	998 531	948 644

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**Annual Report for 2024/25 Financial Year Vote 09:
Department of Public Works, Roads and Infrastructure (Limpopo Province)**

***APPROPRIATION STATEMENT
for the year ended 31 March 2025***

Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	6	-	6	6	-	100.0%	2	2
Total	76 516	-	(112)	76 404	67 504	8 900	88.4%	82 319	81 935

Programme 4: ROADS INFRASTRUCTURE									
	2024/25							2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1.ROAD INFRASTRUCTURE	4 432 228	-	611	4 432 839	4 116 671	316 168	92.9%	3 548 400	3 498 852
Total for sub programmes	4 432 228	-	611	4 432 939	4 116 671	316 168	92.9%	3 548 400	3 498 852
Economic classification									
Current payments	1 400 993	(126)	-	1 400 867	1 084 735	316 132	77.4%	1 090 644	1 041 097
Compensation of employees	237 593	-	-	237 593	223 676	13 917	94.1%	216 450	215 041
Goods and services	1 163 400	(126)	-	1 163 274	861 059	302 215	74.0%	874 194	826 056
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	2 907 361	-	574	2 907 935	2 907 899	36	100.0%	2 357 428	2 37 427
Provinces and municipalities	1 930	-	-	1 930	1 894	36	98.1%	2 090	2 089
Departmental agencies and accounts	2 895 431	-	-	2 895 431	2 895 431	-	100.0%	2 345 940	2 345 940
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	10 000	-	574	10 574	10 574	-	100.0%	9 398	9 398
Payments for capital assets	123 874	-	37	123 911	123 911	-	100.0%	100 304	100 304

**Annual Report for 2024/25 Financial Year Vote 09:
Department of Public Works, Roads and Infrastructure (Limpopo Province)**

APPROPRIATION STATEMENT
for the year ended 31 March 2025

Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	123 874	-	37	123 911	123 911	-	100.0%	100 304	100 304
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	126	-	126	126	-	100.0%	24	24
Total	4 432 228	-	611	4 432 839	4 116 671	316 168	92.9%	3 548 400	3 498 852

[illegible]

Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets									
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets									
Total	2 215	-	112	2 327	2 327	-	100.0%	2 145	2 145

**Annual Report for 2024/25 Financial Year Vote 09:
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**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2025**

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, and Annexure 1A-H of the Annual Financial Statements.

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

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

3. Detail on payments for financial assets

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

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

4.1 Per programme

	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
Programme	R'000	R'000	R'000	%
Administration	500 366	478 677	21 689	4%
Total	500 366	478 677	21 689	4%

This is due to journals processed to rectify the misallocation of expenditure for Administration, which had initially been incurred under other programmes as a result of the misalignment of personnel on the PERSAL system. The programme recorded 66 service terminations during the reporting period.

	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
Programme	R'000	R'000	R'000	%
Infrastructure Operations	1 064 004	958 793	105 211	10%
Total	1 064 004	958 793	105 211	10%

"The programme experienced 115 service terminations during the financial year. The department recorded underspending primarily due to delays with maintenance contractors and service providers, who were still in the process of installing high-mast lighting, and servicing air conditioners and fire extinguishers as at year-end. An additional allocation of R5.500 million was received for the Premier's Guest House, pedestrian path, and Parliamentary Village security projects. However, some of these projects remained at the procurement or site establishment stages. The respective projects were handed over to contractors on 14, 17, and 21 February 2025, but progress on site had not yet reached a stage warranting payment by the end of the financial year. Furthermore, there was a reduction in the consumption of municipal services, largely due to ongoing water shortages. An amount of R'66 700 was paid on 28 February 2025 into the trust account of Leroux Inc / Ing Conveyancers for the acquisition of Erf 8149. As at 31 March 2025, registration of the property in the name of the Provincial Government of Limpopo had not yet occurred. The amount is recorded as a prepayment in the financial statements pending transfer of ownership."

	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
Programme	R'000	R'000	R'000	%
Expanded Public Works Programme	76 404	67 504	8 900	12%
Total	76 404	67 504	8 900	12%

The programme recorded one service termination during the reporting period, along with the expiry of an Expanded Public Works Programme (EPWP) beneficiary contract in mid-March 2025.

	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
Programme	R'000	R'000	R'000	%
Roads Infrastructure	4 432 839	4 116 671	316 168	7%
Total	4 432 839	4 116 671	316 168	7%

This is due to delays in the implementation of the 2024/25 recruitment plans, as well as the termination of services for 62 personnel. In addition, the department received an allocation of R412.423 million in March 2025 for the flood road disaster. However, only 27% of the allocated funds could be spent by year-end due to the limited time available for implementation.

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**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2025**

4.2 Per economic classification

	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
Economic classification	R'000	R'000	R'000	%
Current payments				
Compensation of employees	928 661	879 408	49 253	5%
Goods and services	1 557 279	1 238 551	318 728	20%
Interest and rent on land	23	23	-	0%
Transfers and subsidies				
Provinces and municipalities	173 527	172 268	1 259	1%
Departmental agencies and accounts	2 895 431	2 895 431	-	0%
Higher education institutions	-	-	-	-
Public corporations and private enterprises	-	-	-	-
Foreign governments and international organisations	-	-	-	-
Non-profit institutions	-	-	-	-
Households	39 872	38 837	1 035	3%
Payments for capital assets				
Buildings and other fixed structures	328 164	249 398	78 766	24%
Machinery and equipment	150 033	147 106	2 927	2%
Heritage assets	-	-	-	-
Specialised military assets	-	-	-	-
Biological assets	-	-	-	-
Land and subsoil assets	-	-	-	-
Intangible assets	-	-	-	-
Payments for financial assets	623	623	-	0%

"Compensation of Employees (CoE):

Underspending under this item was primarily due to delays in the implementation of the 2024/25 recruitment plans, as well as the termination of services for 244 personnel during the reporting period.

Goods and Services:

An additional allocation of R412.423 million was received in March 2025 for the flood road disaster. However, only 27% of this amount was spent by year-end due to the limited timeframe for implementation. Contractors and service providers were still in the process of installing high-mast lighting and servicing air conditioners and fire extinguishers at the close of the financial year.

Moreover, an additional R5.500 million was allocated for the Premier's Guest House, pedestrian path, and Parliamentary Village security projects, which remained at the procurement stage. These projects were handed over to contractors on 14, 17, and 21 February 2025, but progress on site was not yet sufficient to warrant payments.

Reduced consumption of municipal services due to persistent load-shedding and water shortages, as well as the expiry of the Expanded Public Works Programme (EPWP) beneficiary contract in mid-March 2025, also contributed to the underspending.

Transfers and Subsidies:

Underspending was recorded in this category, with R0.954 million unspent on municipal rates and R0.304 million on vehicle licensing.

Payment for Capital Assets:

Delays in this category were due to the late handover of the construction site for the Giyani Government Complex project, which had a budget allocation of R5.000 million. The project was announced during the financial year, with a once-off allocation received during the adjustment budget. Delays in the finalisation of procurement processes, delivery of materials by service providers, and the procurement of a drone allocated R1.000 million further contributed to underspending. An amount of R'66 700 was paid on 28 February 2025 into the trust account of Leroux Inc / Ing Conveyancers for the acquisition of Erf 8149. As at 31 March 2025, registration of the property in the name of the Provincial Government of Limpopo had not yet occurred. The amount is recorded as a prepayment in the financial statements pending transfer of ownership.

Conclusion:

The overall underspending across these economic classifications was largely attributed to administrative delays, timing constraints on once-off allocations, challenges in procurement processes, and operational limitations beyond the department's control"

4.3 Per conditional grant (Only report on the conditional grants applicable to the department)

Conditional grant	Final Budget	Actual Expenditure	Variance	Variance as a percentage of Final Budget
	R'000	R'000	R'000	%
EPWP Integrated Grant	8 698	8 695	3	0%
Provincial Roads Maintenance Grant	1 964 546	1 964 043	503	0%

No material variance

**Annual Report for 2024/25 Financial Year Vote 09:
Department of Public Works, Roads and Infrastructure (Limpopo Province)**

**STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2025**

		2024/25	2023/24
	Note	R'000	R'000
REVENUE			
Annual appropriation	1	6 071 286	5 095 572
Statutory appropriation	2	2 327	2 145
Departmental revenue	3	141 294	51 419
NRF Receipts		-	-
Aid assistance		-	-
TOTAL REVENUE		6 214 907	5 149 136
EXPENDITURE			
Current expenditure			
Compensation of employees	5	879 408	853 626
Goods and services	6	1 238 551	1 195 706
Interest and rent on land	7	23	59
Aid assistance	4	-	-
Total current expenditure		2 117 982	2 049 391
Transfers and subsidies			
Transfers and subsidies	9	3 106 536	2 590 011
Aid assistance	4	-	-
Total transfers and subsidies		3 106 536	2 590 011
Expenditure for capital assets			
Tangible assets	10	396 504	330 129

Intangible assets	10	-	-
Total expenditure for capital assets		396 504	330 129

Unauthorised expenditure approved without funding		17 135	-

Payments for financial assets	8	623	63

TOTAL EXPENDITURE		5 638 780	4 969 594

SURPLUS/(DEFICIT) FOR THE YEAR		576 127	179 542

Reconciliation of Net Surplus/(Deficit) for the year

Voted funds		434 833	128 123
Annual appropriation		434 327	92 616
Statutory appropriation			-
Conditional grants		506	35 502
Departmental revenue and NRF receipts	19	141 294	51 419
Aid assistance	4	-	-
Capitalisation reserve			-
SURPLUS/(DEFICIT) FOR THE YEAR		576 127	179 542

**Annual Report for 2024/25 Financial Year Vote 09:
Department of Public Works, Roads and Infrastructure (Limpopo Province)**

**STATEMENT OF FINANCIAL POSITION
as at 31 March 2025**

		2024/25	2023/24
	Note	R'000	R'000
ASSETS			
Current assets		462 760	137 970
Cash and cash equivalents	11	392 580	134 057
Other financial assets	12	-	-
Prepayments and advances	13	66 700	-
Receivables	14	3 480	3 913
Loans	16	-	-
Voted funds receivable	17	-	-
Statutory Appropriation receivable	18	-	-
Aid assistance prepayments	4	-	-
Aid assistance receivable	4	-	-
Non-current assets		737	788
Investments	15	-	-
Prepayments and advances	13	-	-
Receivables	14	737	788
Loans	16	-	-
Other financial assets	12	-	-
TOTAL ASSETS		463 497	138 758
LIABILITIES			

Current liabilities

460 305

152 840

Voted funds to be surrendered to the Revenue Fund	17	451 965	145 254
Statutory Appropriation to be surrendered to the Revenue Fund	18	-	-
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	19	4 708	3 585
Bank overdraft	20	-	-
Payables	21	3 632	4 001
Aid assistance repayable	4	-	-
Aid assistance unutilised	4	-	-

Non-current liabilities

Payables	22	-	-

TOTAL LIABILITIES

460 305

152 840

NET ASSETS

3 192

-14 082

2024/2025

2023/2024

Note

R'000

R'000

Represented by:

Capitalisation reserve	-	-
Recoverable revenue	3 192	3 053
Retained funds	-	-
Revaluation reserves	-	-
Unauthorised expenditure	-	-17 135
TOTAL	3 192	-14 082

**Annual Report for 2024/25 Financial Year Vote 09:
Department of Public Works, Roads and Infrastructure (Limpopo Province)**

**STATEMENT OF CHANGES IN NET ASSETS
as at 31 March 2025**

		2024/25	2023/24
	Note	R'000	R'000
Capitalisation reserves			
Opening balance		-	-
Transfers		-	-
Movement in equity		-	-
Movement in operational funds		-	-
Other movements		-	-
Closing balance		-	-
Recoverable revenue			
Opening balance		3 053	2 751
Transfers:		139	302
Recoverable revenue written off	8.3	-	-
Debts revised		-90	-263
Debts recovered (included in departmental revenue)		-425	-352
Debts raised		654	917
Closing balance		3 192	3 053
Retained funds			
Opening balance		-	-
Transfer from voted funds to be surrendered (Parliament/Legislatures ONLY)		-	-
Utilised during the year		-	-
Other transfers		-	-
Closing balance		-	-

Revaluation reserve

Opening balance	-	-
Revaluation adjustment (Human Settlements departments)	-	-
Transfers	-	-
Other	-	-
Closing balance	-	-

Unauthorised expenditure

Opening balance	-17 135	-17 135
Unauthorised expenditure - current year		
Relating to overspending of the vote or main division within the vote	-	-
Incurred not in accordance with the purpose of the vote or main division	-	-
Less: Amounts approved by Parliament/Legislature with funding	-	-
Less: Amounts approved by Parliament/Legislature without funding and derecognised	17 135	-
Current	17 135	-
Capital	-	-
Transfers and subsidies	-	-
Less: Amounts recoverable		
Less: Amounts written off	-	-
Closing Balance		-17 135
TOTAL	3 192	-14 082

**Annual Report for 2024/25 Financial Year Vote 09:
Department of Public Works, Roads and Infrastructure (Limpopo Province)**

**CASH FLOW STATEMENT
for the year ended 31 March 2025**

		2024/2025	2023/2024
	Note	R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		6 214 353	5 136 974
Annual appropriation funds received	1.1	6 071 286	5 095 572
Statutory appropriation funds received	2	2 327	2 145
Departmental revenue received	3	140 622	39 158
Interest received	3.3	118	99
NRF receipts		-	-
Aid assistance received	4	-	-
Net (increase)/decrease in net working capital		64	-1 796
Surrendered to Revenue Fund		-268 288	-207 289
Surrendered to RDP Fund/Donor		-	-1 074
Current payments		-2 177 964	-2 049 332
Interest paid	7	-23	-59
Payments for financial assets	8	-623	-63
Transfers and subsidies paid		-3 106 536	-2 590 011
Net cash flow available from operating activities	23	720 983	287 350

CASH FLOWS FROM INVESTING ACTIVITIES

Distribution/dividend received		-	-
Payments for capital assets	10	-396 504	-330 129
Proceeds from sale of capital assets	3.4	554	12 162
(Increase)/decrease in loans	16	-	-

(Increase)/decrease in investments	15	-	-
(Increase)/decrease in other financial assets	12	-	-
(Increase)/decrease in non-current receivables	14	51	-91
(Increase)/decrease in non-current prepayments and advances	13	-66 700	-
Net cash flow available from investing activities		<u>-462 599</u>	<u>-318 058</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Increase/(decrease) in net assets		139	302
Increase/(decrease) in non-current payables	22	-	-
Net cash flows from financing activities		<u>139</u>	<u>302</u>
Net increase/(decrease) in cash and cash equivalents		258 523	-30 406
Cash and cash equivalents at beginning of period		134 057	164 463
Unrealised gains and losses within cash and cash equivalents			-
Cash and cash equivalents at end of period	24	<u>392 580</u>	<u>134 057</u>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2025**

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
7.1	Appropriated funds Appropriated funds comprise of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation). Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective. Appropriated funds are measured at the amounts receivable. 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. Departmental revenue is measured at the cash amount received. In-kind donations received are recorded in the notes to the financial statements on the date of receipt and are measured at fair value. 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.

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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	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. Donations made in kind are recorded in the notes to the financial statements on the date of transfer and are measured at cost or fair value.
8.3	Accruals and payables not recognised Accruals and payables not recognised are recorded in the notes to the financial statements at cost or fair value 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. At commencement of the finance lease term, finance lease assets acquired are recorded and measured at: - the fair value of the leased asset; or if lower, - the present value of the minimum lease payments. Finance lease assets acquired prior to 1 April 2024, are recorded and measured at the present value of the minimum lease payments.
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. CARA Funds are recognised when receivable and measured at the amounts receivable.

	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. Prepayments and advances expensed before 1 April 2024 are recorded until the goods, services, or capital assets are received, or the funds are utilised in accordance with the contractual agreement.
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.
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.

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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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. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.
16.3	Intangible capital 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.
18.	Unauthorised expenditure Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure. Unauthorised expenditure is recognised in the statement of changes in net assets 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

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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	- transferred to receivables for recovery. Unauthorised expenditure recorded in the notes to the financial statements comprise of - unauthorised expenditure that was under assessment in the previous financial year; - unauthorised expenditure relating to previous financial year and identified in the current year; and - Unauthorised expenditure incurred in the current year.
19.	Fruitless and wasteful expenditure Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable. Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed, and comprises of: - fruitless and wasteful expenditure that was under assessment in the previous financial year. - fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and - fruitless and wasteful expenditure incurred in the current year.
20.	Irregular expenditure Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable. Irregular expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises of: - irregular expenditure that was under assessment in the previous financial year; - irregular expenditure relating to previous financial year and identified in the current year; and - irregular expenditure incurred in the current year.
21.	Changes in accounting policies, estimates and errors Changes in accounting policies are applied in accordance with MCS requirements. 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.	Principal-Agent arrangements The department is party to a principal-agent arrangement and pays management fees to Development Bank of South Africa (DBSA) implementing agent in the current financial year. The department is the custodian of immovable assets in the province. The department has entered into service level agreements with the various user departments to deliver infrastructure projects on their behalf. Majority of the projects are for the Departments of Education and Health and include construction projects on Hospitals, schools, clinics and other build projects The department has in turn contracted DBSA/IDT to deliver some of projects of the user departments due to capacity constraints. DBSA/IDT Act as implementing agents and will source contractors and render project management services. Management fees and all related expenses in terms of these arrangements are incurred by the user departments. This arrangement has no financial impact on the department. The department's revenues, expenditure, assets and liabilities are not affected by these arrangements. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.
24.	Departures from the MCS requirements Management has concluded that the financial statements present fairly the department's primary and secondary information; that the department complied with the Standard except that it has departed from a particular requirement to achieve fair presentation; and the requirement from which the department has departed, the nature of the departure and the reason for departure.
25.	Capitalisation reserve The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period, but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.
26.	Recoverable revenue Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
27.	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 full compensation of key management personnel is recorded in the notes to the financial statements.
28.	Inventories (Effective from the date determined by the Accountant-General) Not yet applicable, disclosed as per annexure. 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.

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	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.
29.	Public-Private Partnerships-Department did not record any PPP in the current year. 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.
30.	Employee benefits The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is recorded in the Employee benefits note. Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date. The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.
31.	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.
32.	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.

PART B: EXPLANATORY NOTES

1. Annual Appropriation

1.1. Annual Appropriation

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

	2024/25			2023/24		
	Final Budget	Actual Funds Received	Funds not requested / not received	Final Budget	Appropriati on Received	Funds not requested / not received
Programmes	R'000	R'000	R'000	R'000	R'000	R'000
Administration	498 039	498 039	-	466 322	466 322	-
Infrastructure Operations	1 064 004	1 064 004	-	998 531	998 531	-
EPWP	76 404	76 404	-	82 319	82 319	-
Roads Infrastructure	4 432 839	4 432 839	-	3 548 400	3 548 400	-
Total	6 071 286	6 071 286	-	5 095 572	5 095 572	-

1.2. Conditional grants

	Note	2024/25 R'000	2023/24 R'000
Total grants received	45	1 973 244	1 742 194
Provincial grants included in total grants received		1 973 244	1 742 194

During 2024/25 the Provincials Roads Maintenance Grant increased from R1 725 197 to R1 964 564 and EPWP decreased from R16 667 to R8 698 which resulted in overall increase of 13,2%.

2. Statutory Appropriation

	Note	2024/25 R'000	2023/24 R'000
Member of the Executive Authority			-
0		2 327	2 145
Total		2 327	2 145
Actual Statutory Appropriation received		2 327	2 145

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Statutory Appropriation not requested / not received

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-

The department has implemented proclamation notice 167 of 2024 on determination of salaries and allowances of the deputy president, ministers and deputy ministers: 2023/2024 – 2024/2025 that was issued in June 2024, this notice repealed Notice 129 published in July 2023. Remuneration of member of executive council is revised as follows: 01 April 2023 = R2 161 and April 2024 = R 2 215, this salaries adjustments has been implemented retrospectively. The Department fully implemented the new gazette during Budget adjustments. The statutory funds requested and received from April 2024 to March 2025 is R'2 327.

3. Departmental revenue

	Note	2024/25 R'000	2023/24 R'000
Tax revenue		-	-
Sales of goods and services other than capital assets	3.1	40 780	30 506
Fines, penalties and forfeits	3.2	-	-
Interest, dividends and rent on land	3.3	1 386	99
Sales of capital assets	3.4	554	12 162
Transactions in financial assets and liabilities	3.5	98 574	8 652
Transfers received	3.6	-	-
Total revenue collected		141 294	51 419
Less: Own revenue included in appropriation	19		-
Total		141 294	51 419

The departmental sources of revenue are rental dwellings, non-residential buildings and others. The Department held an auction for sale of capital assets during 2024-25 financial year amounting to R'554, the decrease against comparative figures is due to withdrawal of yellow fleet in the current financial year auction'. Revenue of R'40 780 on sale of goods and services other than capital assets is for rental dwellings R'27 139, Rent on land of R'1 386, non-residential buildings R'9 600, and the balance of R'4 041 is for collection of the following items commission received from third party garnishee, sale of portable water, scrap wastepaper, contribution on debt account and replacement on lost office assets.

There is rental revenue collected by Department of Health (DOH) amounting to R'46 639 and paid over directly to provincial revenue fund disclosed under note 32-related party transaction for in-kind services provided.

Transaction in other financial asset and liabilities comprises of RAL unspent fund from previous year expenditure amounting to R'90 854, revenue department agency amounting to R'5 309, departmental debts R'306, and the balance relates to 2023/24 arrears rentals amount to R'2 105. The R'1 variance between the supporting schedule and the amount disclosed above is attributable to rounding differences inherent in the annual financial statement (AFS) template relative to the actual values.

3.1. Sales of goods and services other than capital assets

	Note	2024/25 R'000	2023/24 R'000
Sales of goods and services produced by the department		40 780	30 506
Sales by market establishment		37 019	28 017
Administrative fees		-	-
Other sales		3 761	2 489
Sales of scrap, waste and other used current goods		-	-
Total	3	40 780	30 506

Revenue of R'40 780 on sale of goods and services other than capital assets is for rental dwellings R'27 139, non-residential buildings R'9 600, and the balance of R'4 041 is for collection of the following items commission received from third party garnishee, sale of portable water, scrap wastepaper, contribution on debt account and replacement on lost office assets

3.2. Fines, penalties and forfeits

	Note	2024/25 R'000	2023/24 R'000
Fines		-	-
Penalties		-	-
Forfeits		-	-
Total	3	-	-

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3.3. Interest, dividends and rent on land

	Note	2024/25 R'000	2023/24 R'000
Interest		118	99
Dividends		-	-
Rent on land		1 268	-
Total	3	1 386	99

Total interest received from Debt accounts from April 2024 to March 2025 is R'118. The amount of R'1,268 disclosed under 'Rent on Land' pertains to revenue generated from newly established lease

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agreements with network service providers for the rental of land of towers. These lease contracts did not exist in prior reporting periods

3.4. Sales of capital assets

	Note	2024/25 R'000	2023/24 R'000
Tangible capital assets		554	12 162
Buildings and other fixed structures		-	-
Machinery and equipment		554	12 162
Heritage assets		-	-
Specialised military assets		-	-
Land and subsoil assets		-	-
Biological assets		-	-
Intangible capital assets		-	-
Software		-	-
Mastheads and publishing titles		-	-
Patents, licences, copyright, brand names and trademarks		-	-
Recipes, formulae, prototypes, designs, models		-	-
Services and operating rights		-	-
Total	3	554	12 162

The Department held an auction for sale of capital assets during 2024-25 financial year amounting to R'554, the decrease against comparative figures is due to withdrawal of yellow fleet in the current financial year auction'

3.5. Transactions in financial assets and liabilities

	Note	2024/25 R'000	2023/24 R'000
Loans and advances		-	-
Receivables		-	-
Forex gain		-	-
Other receipts including Recoverable Revenue		98 574	8 652
Gains on GFECRA		-	-
Total	3	98 574	8 652

. Transaction in other financial asset and liabilities comprises of RAL unspent fund from previous year expenditure amounting to R'90 854 surrendered during 2024/25 financial year and resulted in an increase against comparatives figures on this item. And collection of revenue department agency amounting to R'5 309, departmental debts R'306, and the balance relates to 2023/24 arrears rentals amount to R'2 105.

3.6. Transfers received

	Note	2024/25 R'000	2023/24 R'000
Other governmental units		-	-
Higher education institutions		-	-
Foreign governments		-	-
International organisations		-	-
Public corporations and private enterprises		-	-
Households and non-profit institutions		-	-
Total	3	-	-

3.6.1. Gifts, donations and sponsorships received in-kind (*not included in the main note or sub note*)

	Note	2024/25 R'000	2023/24 R'000
	Annex 1H	-	-
Gifts		-	-
Donations		-	-
Sponsorships		-	-
Total gifts, donations and sponsorships received in kind		-	-

3.7. Cash received not recognised (*not included in the main note*)

2024/25			
Opening balance	Amount received	Amount paid to the revenue fund	Closing balance

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Name of entity	R'000	R'000	R'000	R'000
	-	-	-	-
	-	-	-	-
	-	-	-	-
Total	-	-	-	-

2023/24

	Opening balance	Amount received	Amount paid to the revenue fund	Closing balance
Name of entity	R'000	R'000	R'000	R'000
<i>Please specify</i>	-	-	-	-
	-	-	-	-
	-	-	-	-
Total	-	-	-	-

4. Aid assistance

	Note	2024/25 R'000	2023/24 R'000
Opening balance		-	1 074
Prior period error		-	-
As restated		-	1 074
Transferred from statement of financial performance		-	-
Transfers to or from retained funds		-	-
Paid during the year		-	-1 074
Closing balance		-	-

During the current financial year, no aid assistance was received.

4.1. Analysis of balance by source

	Note	2024/25 R'000	2023/24 R'000
Aid assistance from RDP		-	-
Aid assistance from other sources		-	-

CARA Funds		-	-
Closing balance	4	-	-

During the current financial year, no aid assistance was received

4.2. Analysis of balance

	Note	2024/25 R'000	2023/24 R'000
Aid assistance receivable		-	-
Aid assistance prepayments (not expensed)		-	-
Aid assistance unutilised		-	-
Aid assistance repayable		-	-
Closing balance	4	-	-
Aid assistance not requested/not received		-	-

During the current financial year, no aid assistance was received.

Aid assistance prepayments (expensed) 2024/25

Name of entity	Amount as at 1 April 2024 R'000	Less: Received in the current year R'000	Less: Other R'000	Amount as at 31 March 2025 R'000
Goods and services	-			-
Interest and rent on land	-			-
Transfers and subsidies	-			-
Capital assets	-			-
Other	-			-
Total	-	-	-	-

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2023/24

	Amount as at 1 April 2023	Less: Received in the current year	Add / Less: Other	Add Current year prepay- ments	Amount as at 31 March 2024
Name of entity	R'000	R'000	R'000	R'000	R'000
Goods and services	-				-
Interest and rent on land	-				-
Transfers and subsidies	-				-
Capital assets	-				-
Other	-				-
Total	-	-	-	-	-

4.3. Prior period error

Nature of prior period error	<i>Note</i>	2023/24 R'000
Relating to <i>[affecting the opening balance]</i>		-
Relating to 2023/24		-
Total prior period errors		-

4.4. Aid assistance expenditure per economic classification

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Current		-	-
Capital	10	-	-
Transfers and subsidies		-	-
Total aid assistance expenditure		-	-

4.5. Aid assistance received in-kind (not included in the main note)

	Note	2024/25 R'000	2023/24 R'000
List aid assistance received in-kind	Annex 1I		-
Total aid assistance received in kind		-	-

During the current financial year, no aid assistance was received.

5. Compensation of employees

5.1. Analysis of balance

	Note	2024/25 R'000	2023/24 R'000
Basic salary		595 470	578 716
Performance award		36	2
Service based		1 374	7 866
Compensative/circumstantial		1 242	921
Periodic payments		-	-
Other non-pensionable allowances		145 514	136 897
Total		743 636	724 402

The Department implemented DPSA Notice No. 01 of 2019, which introduced a reduction in the percentage allocation of remuneration budgets for the payment of performance bonuses across all employee categories. From the 2021/22 financial year onward, the maximum allowable percentage for such bonuses was set at zero. However, the recorded performance award of R36 reflects payments made in settlement of outstanding litigation cases related to prior performance bonuses. Additionally, there was a decrease in expenditure on service-based items, primarily due to a decline in the number of employees qualifying for long service awards compared to previous years.

5.2. Social contributions

	Note	2024/25 R'000	2023/24 R'000
Employer contributions			
Pension		75 157	74 103
Medical		58 182	53 381

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UIF	-	9
Bargaining council	217	218
Official unions and associations	-	-
Insurance	2 216	1 513
Total	135 772	129 224
Total compensation of employees		
	879 408	853 626
Average number of employees		
	1 789	1 846

For financial year 2024/25 the department recorded 1789 average number of employees which is made up of 1755 permanent employees and 34 contracts employees as per headcount report as at 31 March 2025.

6. Goods and services

	Note	2024/2025 R'000	2023/2024 R'000
Administrative fees		-	-
Advertising		1 094	155
Minor assets	6.1	768	84
Bursaries (employees)		455	4
Catering		1 455	416
Communication		16 126	9 987
Computer services	6.2	28 735	22 497
Consultants: Business and advisory services	6.9	249	115
Infrastructure and planning services		87 525	83 071
Laboratory services		-	-
Scientific and technological services		-	-
Legal services		4 282	1 106
Contractors		473 792	462 461
Agency and support / outsourced services		103 092	140 222
Entertainment		-	-
Audit cost - external	6.3	19 344	14 060
Fleet services		152 476	118 588
Inventories	6.4	95 720	100 980
Consumables	6.5	21 261	19 648
Housing		-	-

Operating leases		1 042	1 166
Property payments	6.6	169 756	164 615
Rental and hiring		18 871	21 423
Transport provided as part of the departmental activities		-	-
Travel and subsistence	6.7	37 146	30 701
Venues and facilities		1 535	1 122
Training and development		2 758	2 537
Other operating expenditure	6.8	1 069	748
Total		1 238 551	1 195 706

Comparative Figures – Explanatory Notes

All amounts are rounded to the nearest thousand (R'000).

Advertising:

Expenditure increased due to the advertisement of Member of Executive Council (MEC)'s special programmes and the launch of Phase Five of the Provincial Expanded Public Works Programme (EPWP) during the current financial year.

Minor Assets:

The department acquired minor assets valued at R768. This includes kitchen appliances (oven and 20L microwave) at R59, domestic furniture at R202, domestic equipment at R158, and workshop tools at R349.

Bursaries:

Expenditure on internal bursaries amounted to R455, showing an increase compared to the prior year. This was due to limited bursary funding in 2023/24. The prior year's amount of R4 was a reimbursement for one official.

Catering:

Catering expenditure increased due to major departmental events under MEC special programmes and the Expanded Public Works Programme (EPWP) Phase Five launch.

Communication:

Increased expenditure was driven by the promotion of "Dikgerekgere Wednesday," which was introduced and implemented during the year.

Computer Services:

R28 984 was spent, including the settlement of computer services accruals from the prior year.

Consultants: Business and Advisory Services:

The increase resulted from payments to the Risk Management Committee chairperson R249, and debt collection services provided by Phakamani (R1) and Ntloedibe Attorneys R1.

Infrastructure and Planning Services:

Expenditure related to planning professional fees under Programme 2. No material variance.

Legal Services:

Costs increased due to legal fees, including payments to the State Attorney and litigation settlements, which vary by case.

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Contractors:

Spending related to road maintenance (both paved and unpaved), and daily building maintenance. No material variance was noted.

Agency and Support / Outsourced Services:

Expenditure reflects payments to Expanded Public Works Programme (EPWP) casual labourers. No material variance.

Audit Fees – External:

R15 329 was incurred for the 2023/24 AGSA audit, and R4 015 for a forensic investigation into rental management, responding to prior audit findings.

Fleet Services:

Includes R11 000 paid for prior year accruals and current expenses for toll fees, repairs, and other services provided by FNB Fleet Services.

Inventory:

Comprises the following:

Fuel, oil, and lubricants: R23 247, Building and construction materials: R16 019, Hardware: R620, Road construction materials: R49 637, Road signs: R6 198

Consumables:

Included protective clothing R15 359, cleaning supplies R2 521, and stationery R2 149.

Operating Leases:

In the current year, these are recorded separately from finance leases. No material variance.

Property Payments:

Breakdown of expenditure includes Security: R104 516, Garden services: R511, Water: R8 533, Electricity: R42 585, Sewerage: R1 732, Refuse removal: R1 039, Daily maintenance: R10 792

Rental and Hiring:

Costs for plant hire during road maintenance project implementation. No material variance.

Travel and Subsistence:

Increase due to more official trips, including those of newly appointed staff.

Venues and Facilities:

Costs for booking venues for departmental events, including strategic planning sessions. No material variance.

Training and Development:

Spending aligned with allocated budget; year-on-year differences reflect budget adjustments. No material variance.

Other Operating Expenditure:

Increase due to: Resettlement costs R1 064 for new recruits under the 2024/25 recruitment plan. Professional body membership and subscription reimbursements R5.

6.1. Minor assets

	Note	2024/2025 R'000	2023/2024 R'000
Tangible capital assets		768	84
Buildings and other fixed structures		-	-
Biological assets		-	-
Heritage assets		-	-
Machinery and equipment		768	84
Land and subsoil assets		-	-
Specialised military assets		-	-
Intangible capital assets		-	-
Software		-	-
Mastheads and publishing titles		-	-
Patents, licences, copyright, brand names and trademarks		-	-
Recipes, formulae, prototypes, designs, models		-	-
Services and operating rights		-	-
Total	6	768	84

Minor Assets - Department acquired minor assets to the value of R'768 which are Kitchen appliances (Oven, microwave 20L) amounting to R'60, domestic furniture amounting to R'202, domestic equipment to the value of R R'158 and workshop tools amounting to R'349.

6.2. Computer services

	Note	2024/2025 R'000	2023/2024 R'000
SITA computer services		28 735	22 497
External computer service providers		-	-
Total	6	28 735	22 497

Computer services - R'28 735 expenditure includes the amount of computer services accruals paid in current year.

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6.3. Audit cost - external

	Note	2024/2025 R'000	2023/2024 R'000
Regularity audits		15 329	14 060
Performance audits		-	-
Investigations		4 015	-
Environmental audits		-	-
Computer audits		-	-
Total	6	19 344	14 060

Audit Fees- External - The department incurred expenditure of R'15 329 in the current financial year for payments made to Auditor General (SA) for 2023/24 financial year regularity audit services. The amount of R'4 015 was spent on forensic investigation on rental management to address prior years audit findings on rental management.

6.4. Inventories

	Note	2024/2025 R'000	2023/2024 R'000
Clothing material and accessories		-	-
Farming supplies		-	-
Food and food supplies		-	-
Fuel, oil and gas		23 246	26 193
Learning, teaching and support material		-	-
Materials and supplies		72 474	74 787
Medical supplies		-	-
Medicine		-	-
Medsas inventory interface		-	-
Other supplies	6.4.1	-	-
Total	6	95 720	100 980

6.4.1. Other supplies

	Note	2024/25 R'000	2023/24 R'000
Ammunition and security supplies		-	-
Assets for distribution		-	-
Machinery and equipment		-	-
School furniture		-	-

Sports and recreation	-	-
Library material	-	-
Other assets for distribution	-	-
Other	-	-
Total	6.4	-

Inventory – Expenditure for inventory is made up of Fuel, oil and lubricants R'23 246, Material Supplies- Building and construction R'16 019, Hardware material R'620, Material supplies- Road construction R'49 637 and Material supplies- Road Signs R'6 198.

6.5. Consumables

	Note	2024/25 R'000	20223/24 R'000
Consumable supplies		19 113	18 647
Uniform and clothing		15 359	16 211
Household supplies		2 521	2 392
Building material and supplies		-	-
Communication accessories		-	-
IT consumables		780	44
Other consumables		453	-
Stationery, printing and office supplies		2 148	1 001
Total	6	21 261	19 648

Consumables - In the current year the department acquired protective clothing amounting to R'15 359, increases number of cleaning detergents- household supplies amounting to R'2 521 and stationery amounting to R'2 148

6.6. Property payments

	Note	2024/25 R'000	2023/24 R'000
Municipal services		53 889	51 073
Property management fees		-	-
Property maintenance and repairs		10 791	8 439
Other		105 076	105 103
Total	6	169 756	164 615

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Property payments – Expenditure incurred for safeguard and security R'104 516, and garden services R'511. Municipality Services Water R'8 533, electricity R'42 585, sewerage R'1 732, and waste/refuse removal R'1 039. Department incurred expenditure of R'10 792 for daily property maintenance.

6.7. Travel and subsistence

	Note	2024/25 R'000	2023/24 R'000
Local		37 119	30 701
Foreign		27	-
Total	6	37 146	30 701

Travel and Subsistence – Expenditure was incurred for payments related to officials' travel and subsistence allowances during the current financial year. The increase in expenditure is attributed to a higher number of official trips, including travel by newly appointed officials.

Foreign Travel and Subsistence – This expenditure relates to incidental costs paid to the Member of the Executive Council (MEC) and the Director: MEC Support for an international trip to Saudi Arabia. The trip was undertaken in March 2025 following an invitation extended by the National Minister of Public Works.

6.8. Other operating expenditure

	Note	2024/25 R'000	2023/24 R'000
Professional bodies, membership and subscription fees		5	5
Resettlement costs		1 064	736
Other		-	7
Total	6	1 069	748

Other operating expenditure increased due to resettlement costs amounting to R'1 064 incurred during the current year. These costs relate to the implementation of the 2024/25 recruitment plan and the settlement of resettlement claims by newly appointed officials. Additionally, an amount of R'5 was incurred for the reimbursement of professional body membership and subscription fees.

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

	Note	2024/25 R'000	2023/24 R'000
Name of Commission / Committee of Inquiry			
Risk Management Committee			-

Independent Chairperson for Risk Management Committee

246

115

-

Total

246

115

The Department has appointed an independent Chairperson for the Risk Management Committee (RMC). A detailed expenditure report is attached to support the total actual expenditure of R246 557,50.50 paid to the chairperson for the 2024/25 financial year, broken down as follows:

- *Quarter 1: R72,745.00*
- *Quarter 2: R43,875.00*
- *Quarter 3: R82,687.50*
- *Quarter 4: R47,250.*

7. Interest and rent on land

	Note	2024/25 R'000	2023/24 R'000
Interest paid		23	59
Rent on land		-	-
Total		23	59

Department paid R'23 on interest of overdue accounts to Eskom and municipalities.

8. Payments for financial assets

	Note	2024/25 R'000	2023/24 R'000
Material losses through criminal conduct		-	-
Theft	8.4	-	-
Other material losses	8.1	-	-
Purchase of equity		-	-
Extension of loans for policy purposes		-	-
Other material losses written off	8.2	-	-
Debts written off	8.3	623	63
Forex losses	8.5	-	-
Debt take overs		-	-
Losses on GFECRA		-	-
Total		623	63

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The Department has implemented a debt write-off for long-outstanding, irrecoverable debt in accordance with Treasury Regulation Chapter 11.4 on the writing off of debts owed to the State. The written-off amounts include salary overpayments totalling R'551 and tax-related debt of R'72. These debts were deemed irrecoverable due to reasons such as prescription, inability to trace the beneficiaries of deceased former officials, and the low value of the debts, rendering recovery efforts uneconomical.

8.1. Other material losses

		2024/25	2023/24
Nature of other material losses	Note	R'000	R'000
<i>Group major categories, but list material items</i>			-
			-
			-
			-
Total	8	-	-

8.2. Other material losses written off

		2024/25	2023/24
Nature of losses	Note	R'000	R'000
<i>Group major categories, but list material items</i>			-
			-
			-
			-
Total	8	-	-

8.3. Debts written off

		2024/25	2023/24
Nature of debts written off	Note	R'000	R'000
<i>Group major categories, but list material items</i>			-
Irregular expenditure written off			-
			-
			-
Total		-	-
Recoverable revenue written off		-	-

Total		<u>-</u>	<u>-</u>
Other debt written off			
Salary overpayment		551	36
Breach of contract - bursary			27
Tax debt		72	
Total		<u>623</u>	<u>63</u>
Total debt written off	8	<u>623</u>	<u>63</u>

The Department has implemented a debt write-off for long-outstanding, irrecoverable debt in accordance with Treasury Regulation Chapter 11.4 on the writing off debts owed to the State. The written-off amounts include salary overpayments totalling R'551 and tax-related debt of R'72. These debts were deemed irrecoverable due to reasons such as prescription, inability to trace the beneficiaries of deceased former officials, and the low value of the debts, rendering recovery efforts uneconomical.

8.4. Details of theft

Nature of theft	<i>Note</i>	2024/25 R'000	2023/24 R'000
<i>Group major categories, but list material items</i>			
			-
			-
			-
			-
Total	8	<u>-</u>	<u>-</u>

8.5. Forex losses

Nature of losses	<i>Note</i>	2024/25 R'000	2023/24 R'000
<i>Group major categories, but list material items</i>			
			-
			-
			-
			-
Total	8	<u>-</u>	<u>-</u>

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9. Transfers and subsidies

		2024/25	2023/24
	Note	R'000	R'000
Provinces and municipalities	46,47	172 268	212 349
Departmental agencies and accounts	Annex 1B	2 895 431	2 345 940
Higher education institutions	Annex 1C	-	-
Foreign governments and international organisations	Annex 1E	-	-
Public corporations and private enterprises	Annex 1D	-	-
Non-profit institutions	Annex 1F	-	-
Households	Annex 1G	38 837	31 722
Total		3 106 536	2 590 011

R'172 268 is the expenditure for municipal rates and taxes and vehicle licenses. The department has made transfer of funds to its public entity Road Agency Limpopo (RAL) as of 31 March 2025 amounting to R'2 895 431. Expenditure for households R'38 837 relates to injury on duty, leave gratuity, bursaries (non-employees) and claims against the state.

9.1. Gifts, donations and sponsorships made in kind (not included in the main note)

		2024/25	2023/24
	Note	R'000	R'000
	Annex 1J	-	-
Gifts		-	-
Donations		-	-
Sponsorships		-	-
Total		-	-

10. Expenditure for capital assets

		2024/25	2023/24
	Note	R'000	R'000
Tangible capital assets		396 504	330 129
Buildings and other fixed structures		249 398	220 487
Heritage assets		-	-

Machinery and equipment	147 106	109 642
Specialised military assets	-	-
Land and subsoil assets	-	-
Biological assets	-	-
Intangible capital assets	-	-
Software	-	-
Mastheads and publishing titles	-	-
Patents, licences, copyright, brand names and trademarks	-	-
Recipes, formulae, prototypes, designs, models	-	-
Services and operating rights	-	-
Total	396 504	330 129
The following amounts have been included as project costs in		
Expenditure for capital assets	-	-
Compensation of employees	-	-
Goods and services	-	-
Total	-	-

The Department incurred expenditure on buildings and other fixed structures, which includes the purchase of two new buildings valued at R'44 850 and R'66 700, respectively. Additionally, a finance lease for the Works Towers building was recorded at R'55 262. The remaining amount of R'149 278 relates to capital work in progress for buildings.

Under Machinery and Equipment, the Department acquired the following assets:

- *Motor vehicle: R'67 606*
- *Construction and maintenance equipment: R'64 621*
- *Furniture: R'2 276*
- *Laptops: R'6 428*
- *Computer hardware and systems: R'2 309*
- *Tablet: R'44*
- *Finance lease assets: R'3 822*

10.1. Analysis of funds utilised to acquire capital assets - Current year

Name of entity	2024/25		
	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible capital assets	396 504	-	396 504

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Buildings and other fixed structures	249 398		249 398
Heritage assets			-
Machinery and equipment	147 106		147 106
Specialised military assets			-
Land and subsoil assets			-
Biological assets			-
Intangible capital assets	-	-	-
Software			-
Mastheads and publishing titles			-
Patents, licences, copyright, brand names and trademarks			-
Recipes, formulae, prototypes, designs, models			-
Services and operating rights			-
Total	396 504	-	396 504

Department has incurred expenditure for the buildings and other fixed structures which consist of purchase of new buildings amounting to R'44 850. An amount of R'66 700 was paid on 28 February 2025 into the trust account of Leroux Inc / Ing Conveyancers for the acquisition of Erf 8149. As at 31 March 2025, registration of the property in the name of the Provincial Government of Limpopo had not yet occurred. The amount is recorded as a prepayment in the financial statements pending transfer of ownership. Finance lease for building of Works Towers R'55 262 and the remaining consist of amounting to R149 278 of capital work in progress buildings

Department has acquired motor vehicle of R'37 094, construction and maintenance equipment of R'95 141, furniture of R'2 276, laptops R'6 428, computer hardware and systems R'2 309 and tablet of R'44 and finance lease assets R'3 822 recorded under Machinery and Equipment.

10.2. Analysis of funds utilised to acquire capital assets - Prior year

	2023/24		
	Voted funds	Aid assistance	Total
Name of entity	R'000	R'000	R'000
Tangible capital assets	330 129	-	330 129
Buildings and other fixed structures	220 487	-	220 487
Heritage assets	-	-	-
Machinery and equipment	109 642	-	109 642
Specialised military assets	-	-	-
Land and subsoil assets	-	-	-
Biological assets	-	-	-
Intangible capital assets	-	-	-

Software	-	-	-
Mastheads and publishing titles	-	-	-
Patents, licences, copyright, brand names and trademarks	-	-	-
Recipes, formulae, prototypes, designs, models	-	-	-
Services and operating rights	-	-	-
Total	330 129	-	330 129

10.3. Finance lease expenditure included in Expenditure for capital assets

	Note	2024/25 R'000	2023/24 R'000
Tangible capital assets		59 084	59 693
Buildings and other fixed structures		55 262	55 328
Heritage assets			-
Machinery and equipment		3 822	4 365
Specialised military assets			-
Land and subsoil assets			-
Biological assets			-
Intangible capital assets		-	-
Software			-
Mastheads and publishing titles			-
Patents, licences, copyright, brand names and trademarks			-
Recipes, formulae, prototypes, designs, models			-
Services and operating rights			-
Total		59 084	59 693

The department has a finance lease building for office accommodation for head office officials at Works Towers 43 church street Polokwane and for machinery and equipment relates to expenditure incurred for leasing of printers and others communication equipment. There is a decrease in finance lease machinery and equipment due to expiry of lease contracts in the current financial year which were not renewed.

11. Cash and cash equivalents

	Note	2024/25 R'000	2023/24 R'000
Consolidated Paymaster General Account		392 580	134 057
Cash receipts		-	-
Disbursements		-	-

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Cash on hand	-	-
Investments (Domestic)	-	-
Investments (Foreign)	-	-
Total	392 580	134 057

The Department closed the 2024/25 financial year with a bank balance of R'391 910. An outstanding payment of R'6 remained due to a rejected supplier payment pro-cessed through the Basic Accounting System (BAS) Electronic Bank Transfer (EBT) facility, amounting to R'676

12. Other financial assets

	Note	2024/25 R'000	2023/24 R'000
Current			
Local			-
<i>Group major categories, but list material items</i>			-
			-
			-
Total		-	-
			-
Foreign			-
<i>Group major categories, but list material items</i>			-
			-
			-
Total		-	-
		-	-
Total Current other financial assets		-	-

	Note	2024/25 R'000	2023/24 R'000
Non-current			
Local			-
<i>Group major categories, but list material items</i>			-
			-
			-
Total		-	-
			-
Foreign			-
<i>Group major categories, but list material items</i>			-

		-	-
		-	-
Total		-	-
		-	-
Total non-current other financial assets		-	-

13. Prepayments and advances

	Note	2024/25 R'000	2023/24 R'000
Staff advances		-	-
Travel and subsistence		-	-
Prepayments (Not expensed)	13.2	66 700	-
Advances paid (Not expensed)	13.1	-	-
SOCPEN advances		-	-
Total		66 700	-

Analysis of Total Prepayments and advances

Current Prepayments and advances	66 700	-
Non-current Prepayments and advances		-
Total	66 700	-

An amount of R'66 700 was paid on 28 February 2025 into the trust account of Leroux Inc / Ing Conveyancers for the acquisition of Erf 8149. As at 31 March 2025, registration of the property in the name of the Provincial Government of Limpopo had not yet occurred. The amount is recorded as a prepayment in the financial statements pending transfer of ownership.

13.1. Advances paid (Not expensed)

	2024/25				
	Amount as at 1 April 2024	Less: Amounts expensed in current year	Add / Less: Other	Add Current year advances	Amount as at 31 March 2025
Note	R'000	R'000	R'000	R'000	R'000
National departments	-				-
Provincial departments	-				-

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Public entities		-	-
Other entities		-	-
Total	13	-	-

2023/24

		Amount as at 1 April 2023	Less: Amounts expensed in current year	Add / Less: Other	Add Current year advances	Amount as at 31 March 2024
	Note	R'000	R'000	R'000	R'000	R'000
National departments		-				-
Provincial departments		-				-
Public entities		-				-
Other entities		-				-
Total	13	-	-	-	-	-

13.2. Prepayments (Not expensed)

2024/25

		Amount as at 1 April 2024	Less: Amounts expensed in current year	Add / Less: Other	Add Current year prepay- ments	Amount as at 31 March 2025
	Note	R'000	R'000	R'000	R'000	R'000
Goods and services		-				-
Interest and rent on land		-				-
Transfers and subsidies		-				-
Capital assets		-		66 700		-
Other		-				-
Total	13	-	-	66 700	-	-

An amount of R'66 700 was paid on 28 February 2025 into the trust account of Leroux Inc / Ing Conveyancers for the acquisition of Erf 8149. As at 31 March 2025, registration of the property in the name of the Provincial Government of Limpopo had not yet occurred. The amount is recorded as a prepayment in the financial statements pending transfer of ownership.

		2023/24				
		Amount as at 1 April 2023	Less: Amounts expensed in current year	Add / Less: Other	Add Current year prepay- ments	Amount as at 31 March 2024
	Note	R'000	R'000	R'000	R'000	R'000
Goods and services		-	-	-	-	-
Interest and rent on land		-	-	-	-	-
Transfers and subsidies		-	-	-	-	-
Capital assets		-	-	-	-	-
Other		-	-	-	-	-
Total	13	-	-	-	-	-

13.3. Prepayments (Expensed)

	Amount as at 1 April 2024	Less: Received in the current year	Less: Other	Amount as at 31 March 2025
	R'000	R'000	R'000	R'000
Goods and services	-	-	-	-
Interest and rent on land	-	-	-	-
Transfers and subsidies	-	-	-	-
Capital assets	-	-	-	-
Other	-	-	-	-
Total	-	-	-	-

2023/24					
	Amount as at 1 April 2023	Less: Received in the current year	Add / Less: Other	Add Current year prepay- ments	Amount as at 31 March 2024
	R'000	R'000	R'000	R'000	R'000
Goods and services	-	-	-	-	-
Interest and rent on land	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-
Capital assets	-	-	-	-	-
Other	-	-	-	-	-
Total	-	-	-	-	-

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13.4. Advances paid (Expensed)

	Amount as at 1 April 2024	Less: Received in the current year	Less: Other	Amount as at 31 March 2025
	R'000	R'000	R'000	R'000
National departments	-			-
Provincial departments	-			-
Public entities	-			-
Other institutions	-			-
Total	-	-	-	-

2023/24

	Amount as at 1 April 2023	Less: Received in the current year	Add / Less: Other	Add Current year advances	Amount as at 31 March 2024
	R'000	R'000	R'000	R'000	R'000
National departments	30	-	-30	-	-
Provincial departments	-	-	-	-	-
Public entities	-	-	-	-	-
Other institutions	-	-	-	-	-
Total	30	-	-30	-	-

14. Receivables

		2024/25			2023/24		
		Current	Non- current	Total	Current	Non- current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
	<i>Note</i>						
Claims recoverable	14.1			-	-	-	-
Trade receivables	14.2			-	-	-	-
Recoverable expenditure	14.3	344		344	75	-	75
Staff debt	14.4	3 136	737	3 873	3 814	788	4 602
Other receivables	14.5			-	24	-	24

Total	3 480	737	4 217	3 913	788	4 701

Staff Debt comprises of opening balance of R'4 602, accumulated balance as at 31 March 2025 amount to R'1 817, amount recovered is R'1 923, and amount written off R'623.

14.1. Claims recoverable

	Note	2024/25 R'000	2023/24 R'000
National departments			-
Provincial departments			-
Foreign governments			-
Public entities			-
Private enterprises			-
Higher education institutions			-
Households and non-profit institutions			-
Local governments			-
Total	14	-	-

14.2. Trade receivables

	Note	2024/25 R'000	2023/24 R'000
<i>Group major categories, but list material items</i>			-
			-
			-
			-
Total	14	-	-

14.3. Recoverable expenditure

	Note	2024/25 R'000	2023/24 R'000
<i>Group major categories, but list material items</i>			
Sal: Reversal control account		321	48
Sal: Tax debt account		23	27
			-
Total	14	344	75

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The increase in the salary reversal control account is attributed to balances in the suspense account currently under investigation.

14.4. Staff debt

	Note	2024/25 R'000	2023/24 R'000
<i>Group major categories, but list material items</i>			
Debt account - Current		3 136	3 814
Debt account – non-current		737	788
Total	14	3 873	4 602

Staff debt consists of bursary debts arising from breach of contract, salary tax debts, and salary overpayments. The opening balance was R'4 602, with an accumulated balance of R'1 817 as of 31 March 2025. During the year, R'1 924 was recovered, and R'623 was written off.

The Department is experiencing slow recovery of staff debt, and the overall balance continues to increase primarily due to the accrual of interest charges.

14.5. Other receivables

	Note	2024/25 R'000	2023/24 R'000
<i>Group major categories, but list material items</i>			
Unauthorised expenditure			-
Irregular expenditure			-
Fruitless and wasteful expenditure			-
Sal: Medical aid account			24
			-
			-
Total	14	-	24

14.6. Impairment of receivables

	Note	2024/25 R'000	2023/24 R'000
Estimate of impairment of receivables		3 716	4 602
Total		3 716	4 602

At year-end, a decrease in the staff debt impairment was recorded. This reduction is attributed to a lower outstanding staff debt balance compared to the previous financial year.

15. Investments

	Note	2024/25 R'000	2023/24 R'000
Non-current			
Shares and other equity			-
<i>List investments at cost</i>			-
			-
			-
			-
Total		-	-
			-
Securities other than shares	Annex 2A		-
			-
			-
			-
			-
Total		-	-
Total non-current investments		-	-

	Note	2024/25 R'000	2023/24 R'000
Analysis of non-current investments			
Opening balance		-	-
Additions in cash			-
Disposals for cash			-
Non-cash movements			-
Closing balance		-	-

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15.1. Impairment of investments

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Estimate of impairment of investments			-
Total		-	-

16. Loans

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Public corporations		-	-
Higher education institutions			-
Foreign governments			-
Private enterprises			-
Non-profit institutions			-
Staff loans			-
Total		-	-

Analysis of balance	<i>Note</i>	2024/25 R'000	2023/24 R'000
Opening balance		-	-
New issues			-
Repayments			-
Write-offs			-
Closing balance		-	-

16.1. Impairment of loans

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Estimate of impairment of loans			-
Total		-	-

17. Voted funds to be surrendered to the Revenue Fund

	Note	2024/25 R'000	2023/24 R'000
Opening balance		145 249	161 213
Prior period error	17.2		
As restated		145 249	161 213
Transferred from statement of financial performance (as restated)		434 833	128 118
Add: Unauthorised expenditure for the current year			-
Voted funds not requested/not received	1.1	-	-
Transferred to retained revenue to defray excess expenditure (Parliament/Legislatures)	17.1		-
Paid during the year		-128 117	-144 082
Closing balance		451 965	145 249

During the 2024/2025 financial year, the department realised underspending on its budget, primarily on the Compensation of Employees item. These underspending contributed to a decrease of 4% in actual expenditure against the final budget compared to the prior year.

As part of its fiscal management process, the department surrendered a total of R128 117 to the Provincial Treasury, consisting of two components: R80 000 and R48 117. It is noted that a rounding-off difference of R1 exists between the Annual Financial Statements (AFS) template and the actual payment data, which relates to the prior year variance.

The Provincial Treasury approved the use of underspending realised during the year to clear an outstanding balance of unauthorised expenditure approved without funding, amounting to R'17 135. This amount was funded from the underspending in the Compensation of Employees budget.

17.1. Voted funds / (Excess expenditure) transferred to retained funds (Parliament / Legislatures ONLY)

	Note	2024/25 R'000	2023/24 R'000
Opening balance			-
Transfer from statement of financial performance			-
Transfer from Departmental Revenue to defray excess expenditure	19		-
Total	17	-	-

17.2. Prior period error

2023/24

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Nature of prior period error	Note	R'000
Relating to 2024/25 [affecting the opening balance]		-
		-
		-
Relating to 2023/24		-
		-
		-
Total prior period errors		-

17.3. Reconciliation on unspent conditional grants

	Note	2024/25 R'000	2023/24 R'000
Opening balance		35 502	-
Total conditional grants received	1.2	1 973 244	1 742 194
Total conditional grants spent		-1 972 738	-1 706 692
Unspent conditional grants to be surrendered		36 008	35 502
Less: Paid to the Provincial Revenue Fund by Provincial department		-35 502	
Approved for rollover		-30 052	
Not approved for rollover		-5 450	
Closing balance		506	35 502

During the 2023/24 financial year, the Department closed with an unspent conditional grant balance of R'35 502. The full amount was surrendered to the Provincial Treasury, pending approval of a rollover application. From this amount, R'30 052 was subsequently approved for rollover and was implemented during the budget adjustment process in the current financial year.

In the 2024/25 financial year, the Department received a conditional grant allocation of R'1 973 244. Actual expenditure amounted to R'1 972 738, resulting in an unspent balance of R'506. Despite this, the Department achieved 100% utilisation of available funds on conditional grant when considering rounding and reporting conventions.

18. Statutory Appropriation to be surrendered to the Revenue Fund

	Note	2024/25 R'000	2023/24 R'000
Opening balance		-	-

Prior period error	18.1		
As restated		-	-
Transferred from statement of financial performance (as restated)		-	-
Statutory appropriation not requested/not received	2	-	-
Paid during the year		-	-
Closing balance		-	-

The statutory funds requested and received from April 2024 to March 2025 is R'2 215. The department has implemented proclamation notice 167 of 2024 on determination of salaries and allowances of the deputy president, ministers and deputy ministers: 2023/2024 – 2024/2025 that was issued in June 2024, this notice repealed Notice 129 published in July 2023. Remuneration of member of executive council is revised as follows: 01 April 2023 = R2 161 and April 2024 = R 2 215, this salaries adjustments has been implemented retrospectively. The department fully implemented the new gazette during Budget adjustments. ministers and deputy ministers: 2023/2024 – 2024/2025 that was issued in June 2024, this notice repealed Notice 129 published in July 2023. Remuneration of member of executive council is revised as follows: 01 April 2023 = R2 161 and April 2024 = R 2 215, this salaries adjustment has been implemented retrospectively. Department fully implemented the new gazette during Budget adjustments.

18.1. Prior period error

Nature of prior period error	Note	2023/24 R'000
Relating to 2024/25 [affecting the opening balance]		-
Relating to 2023/24		-
Total prior period errors		-

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

	Note	2024/25 R'000	2023/24 R'000
Opening balance		3 585	15 373
Prior period error	19.1		
As restated		3 585	15 373
Transferred from statement of financial performance (as restated)		141 294	51 419
Own revenue included in appropriation		-	-
Transfer from aid assistance	4		-

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Transferred to voted funds to defray excess expenditure (Parliament/Legislatures)	17.1	-
Paid during the year	-140 171	-63 207
Closing balance	4 708	3 585

An amount of R'140,171 paid during the year comprises R'136,586 relating to the general revenue account and R'3,585 for revenue accruals for the 2023/24 financial year. Due to rounding in the Annual Financial Statements (AFS) template, the actual amount paid for revenue accruals is R'3,587. This rounding resulted in a difference of R'2 between the actual revenue accrual and the amount reflected in the audited financial statements. The department has transferred revenue of R'136 586 by 31 March 2025 under general account of revenue. Included in R'136 586 is a transaction in other financial assets and liabilities amount of R'90 854 for RAL unspent funds for the previous year's expenditure, and Revenue: Departmental Agency.

19.1. Prior period error

Nature of prior period error	Note	2023/24 R'000
Relating to 2024/25 [affecting the opening balance]		-
Relating to 2023/24		-
Total prior period errors		-

20. Bank overdraft

	Note	2024/25 R'000	2023/24 R'000
Consolidated Paymaster General account			-
Fund requisition account			-
Overdraft with commercial banks (Local)			-
Overdraft with commercial banks (Foreign)			-
Total		-	-

21. Payables - current

	Note	2024/25 R'000	2023/24 R'000
Amounts owing to other entities		-	-
Advances received	21.1	-	-
Clearing accounts	21.2	-	-
Other payables	21.3	3 632	4 001
Total		3 632	4 001

Other payables comprise of the following items as listed in sub-note 21.3

21.1. Advances received

	Note	2024/25 R'000	2023/24 R'000
National departments		-	-
Provincial departments		-	-
Public entities		-	-
Other institutions		-	-
Total	21	-	-

21.2. Clearing accounts

Description	Note	2024/25 R'000	2023/24 R'000
<i>Identify major categories, but list material items</i>			-
			-
			-
			-
Total	21	-	-

21.3. Other payables

Description	Note	2024/25 R'000	2023/24 R'000
Rental deposit		1 567	1 424
Sal: Bargaining Council		1	-
Sal: GEHS Refund control acc		-	44
Payable:adv:P/Dept:LP Adv acc		751	2 387

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Salary Control Account: Income Tax	1 282	135
Salary Control Account: Pension	31	11
Total	21	3 632
		4 001

Rental Deposit. This balance represents deposits held for rented properties. It increases as new tenants are added. An amount of R'751 is currently classified as an unidentified deposit or refund received in the departmental bank account and is pending proper allocation.

Salary Income Tax – Suspense Control Account. The balance in the suspense control account relates to income tax (PAYE) deducted during the month-end payroll run on the Personnel and Salary System (PERSAL)—the government's financial system for the administration of personnel and salary. This balance will be cleared upon payment to the South African Revenue Service (SARS) as part of third-party transactions.

22. Payables - non-current

		2024/25				2023/24
		One to two years	Two to three years	Older than three years	Total	Total
Note		R'000	R'000	R'000	R'000	R'000
	Amounts owing to other entities				-	-
	Advances received	22.1			-	-
	Other payables	22.2			-	-
	Total	-	-	-	-	-

22.1. Advances received

	Note	2024/25 R'000	2023/24 R'000
National departments	Annex 8B	-	-
Provincial departments	Annex 8B	-	-
Public entities	Annex 8B	-	-
Other institutions	Annex 8B	-	-
Total	22	-	-

22.2. Other payables

Description	Note	2024/25 R'000	2023/24 R'000
<i>Identify major categories, but list material items</i>			
			-
			-
			-
			-
Total	22	-	-

23. Net cash flow available from operating activities

	Note	2024/25 R'000	2023/24 R'000
Net surplus/(deficit) as per Statement of Financial Performance		576 127	179 542
Add back non-cash/cash movements not deemed operating activities		144 856	107 808
(Increase)/decrease in receivables		433	-496
(Increase)/decrease in prepayments and advances			-
(Increase)/decrease in other current assets			-
Increase/(decrease) in payables - current		-369	-1 300
Proceeds from sale of capital assets		-554	-12 162
Proceeds from sale of investments			-
(Increase)/decrease in other financial assets		-	-
Expenditure on capital assets		396 504	330 129
Surrenders to Revenue Fund		-268 293	-207 289
Surrenders to RDP Fund/Donors			-1 074
Voted funds not requested/not received			-
Statutory Appropriation not requested/not received			-
Own revenue included in appropriation			-
Other non-cash items		17 135	-
Net cash flow generated by operating activities		720 983	287 350

An amount of R'17 135 included under Other Non-Cash Items relates to unauthorised expenditure that was approved without funding in the prior year. Although approved without funding, this expenditure does not result in a cash flow in the current year and is therefore recognised as a non-cash item. An amount of R'66 700 was paid on 28 February 2025 into the trust account of Leroux Inc / Ing Conveyancers for the acquisition of Erf 8149. As at 31 March 2025, registration of the property in the name of the Provincial Government of Limpopo had not yet occurred. The amount is recorded as a prepayment in the financial statements pending transfer of ownership.

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

	Note	2024/25 R'000	2023/24 R'000
Consolidated Paymaster General account		392 580	134 057
Fund requisition account		-	-
Cash receipts		-	-
Disbursements		-	-
Cash on hand		-	-
Cash with commercial banks (Local)		-	-
Cash with commercial banks (Foreign)		-	-
Total		392 580	134 057

25. Contingent liabilities and contingent assets

25.1. Contingent liabilities

Liable to	Nature	Note	2024/25 R'000	2023/24 R'000
Motor vehicle guarantees	Employees	Annex 3A		-
Housing loan guarantees	Employees	Annex 3A		-
Other guarantees		Annex 3A		-
Claims against the department		Annex 3B	15 667	16 784
Intergovernmental payables		Annex 5		94
Environmental rehabilitation liability		Annex 3B		-
Other		Annex 3B		-
Total			15 667	16 878

Claims against the department represent all claims against the department from Potholes claims and edictal claims. The department developed standard operating procedure for the management and disclosure of contingent liabilities.

During the prior year the department removed finalised cases, claims that do not meet definition of contingent liability as per MCS and that resulted in decrease on the claims against the state opening balance 1 April 2024. Such cases will only be recorded under the Contingent register of Legal services and not for the purpose of disclosure in the Financial Statements. There is a prior period error of R'1500, resulting from omission on the schedule during adjustment period to register claim supported by Modified Cash Standard Chapter 14, Paragraph 50 "Where department is jointly and severally liable for obligation that is expected to be met by other parties is treated as a contingent liability. The claim will be disclosed at summons until the 1st defendant registers the claim in their books.

Claim against the department has decreased by R'1 005, based on management best estimates that legal services presented that the department is defending the case not to settle and as a result there will be no

future financial obligation. There is one new case registered during the current year, how-ever during assessment as per advice from legal services the department rejected the claim as the payments for security services were made in line with the signed contract. As a result, the new case's best value estimate is zero.

Potholes movement of previous years not resolved decreased due to assessment performed and removal of cases where the department is not 1st responded and dormant cases that are older than 3 years without any correspondences in relation to the claims. Pothole's claims decreased by R'2 216, based on management best estimates that legal services presented and new claims incurred during the year amounting to R'2104.

Department also complied with MCS chapter 14 paragraph 50 that states "Where a department is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability. The claim will be fully disclosed at summons until the 1st defendant registers the claim in their books.

The prior-year audited schedule is also attached to disclosures for confirmation of the restatement of the opening balance on the current year schedule

It is uncertain of the timing of outflow on disclosed contingent liabilities and impracticable to determine the exact possibility of any reimbursement pending decision by the court.

25.2. Contingent assets

Nature of contingent asset	Note	2024/25 R'000	2023/24 R'000
			-
			-
			-
Total		-	-

There are no contingents' assets register in the current year.

26. Capital commitments

	Note	2024/25 R'000	2023/24 R'000
Buildings and other fixed structures		112 363	201 702
Heritage assets			-
Machinery and equipment		236	6 308
Specialised military assets			-
Land and subsoil assets			-

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Biological assets		-
Intangible assets		-
Total	112 599	208 010

Department has recorded R'112 599 capital building projects commitments as at 31 March 2025 as listed below:

1. There is no capital commitment remaining on the revitalization of the Maphutha Malatjie Hospital Outpatient Department (OPD), under project number LDPWRI - B/15004. The project was transferred from the Limpopo Department of Health (LDoH) to the Limpopo Department of Public Works, Roads & Infrastructure (LDPWRI) in February 2023 for final completion. The estimated budget for completion was duly appropriated to LDPWRI. As of December 2024, the asset was ready for use, resulting in a value adjustment of R'203 573 on the asset register for Maphutha Malatjie Hospital, as disclosed in Annexure 9. No remaining capital commitment. Project completed and capitalized (asset value R'203 573).
2. Construction of Ephriam Mogale Cost Centre R'113 balance of the contract amount of R'5 020 in the current year for main contractor and R'64 inhouse manpower cost of construction (material) from current year budget of R'700, for the completion of the project.
3. Upgrading of the Modimolle Office complex R'19 582.
4. Upgrading of Koshuis in Mokopane. R'7 672.
6. Refurbishment of office block at the corner of Suid and Dorp street Polokwane R'20 232.
7. Legislature Chamber building at Lebowakgomo government complex. R'4 545.
8. Refurbishment of Thohoyandou Government complex R'25 824
9. Renovation of 40 Paul Kruger - Already capitalized at R'35 423; thus, not included in commitments.
10. Renovations of Giyani TUT R' 1 250 – project is implemented by departmental manpower.
11. Refurbishment of Giyani Chamber Complex Block F, R'31 663 less payables progress certificates of the work done but not paid at year end and therefore not included in capital work-in-progress] amounting to R'336 and then balance is R'31 327.
12. Renovation of Premiers' Guest house at Dalmada then balance is R'1 754 no current year expenditure. Balance remains.

The department has not recorded any retentions on capital projects listed on capital commitments. The appointed contractors submit a variable construction guarantee of 10% of the contractual sum from reputable registered authorized financial service provider.

A commitment of R'236 remains under capital assets for the outstanding supply and delivery of household furniture at the Parliamentary Village.

27. Accruals and payables not recognised

27.1. Accruals

		2024/25			2023/24
		30 Days	30+ Days	Total	Total
Listed by economic classification	Note	R'000	R'000	R'000	R'000
Goods and services		29 432		29 432	48 592

Interest and rent on land	-	-	-
Transfers and subsidies		-	-
Capital assets	836	836	2 401
Other		-	-
Total	30 268	-	30 268

		2024/25	2023/24
Listed by programme level	<i>Note</i>	R'000	R'000
PROGRAMME 1		18 344	19 885
PROGRAMME 2		5 456	4 313
PROGRAMME 3		162	
PROGRAMME 4		6 306	26 795
Total		30 268	50 993

Included in the accruals for the current financial year are the following material items:

- *Invoices from FNB Fleet Services for both yellow and white fleet operations.*
- *Security services invoices for the month of March.*

Overall accruals balance decreased due to payments made on March invoices at year end.

27.2. Payables not recognised

		2024/25			2023/24
		30 Days	30+ Days	Total	Total
Listed by economic classification	<i>Note</i>	R'000	R'000	R'000	R'000
Goods and services		5 894		5 894	13 384
Interest and rent on land		3 523		3 523	2 558
Transfers and subsidies		28 489		28 489	40 667
Capital assets		2 251		2 251	1 129
Other				-	-
Total		40 157		40 157	57 738

		2024/25	2023/24
Listed by programme level	<i>Note</i>	R'000	R'000
PROGRAMME 1		1 035	3 889
PROGRAMME 2		35 887	53 849
PROGRAMME 3		30	-
PROGRAMME 4		3 205	-

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Total	40 157	57 738

The material decrease in the overall payables balance compared to the previous financial year is primarily due to the full settlement of outstanding municipal rates owed to the City of Polokwane, Molemole Municipality, Blouberg Municipality, and Makhuduthamaga Municipality during the prior year.

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Included in the above totals are the following:			
Confirmed balances with other departments	<i>Annex 5</i>		8
Confirmed balances with other government entities	<i>Annex 5</i>		-
Total		-	8

28. Employee benefits

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Leave entitlement		48 047	42 931
Service bonus		24 828	24 183
Performance awards		5 254	5 212
Capped leave		81 611	98 292
Other		2 130	2 637
Total		161 870	173 255

Leave entitlement: Current leave days of R'20 279 and previous leave days of R'28 538 less (R'164 + R'606= R'770) for leaves taken for March but captured in April. Negative leave days of 155.79 amounting to R'297.

- *Department has made a provision of pay progression payment for R'5 254 for 2024-25 financial year Performance Management Development System (PMDS) cycle, see attached memo for how provision has been determined. The estimates have been calculated by PMDS unit of the department and established moderation committee for performance awards of 2024-25 financial year will conduct moderation to establish the qualifying officials for implementation of pay progression incentive.*
- *Capped Leave days amounting to R'81 611.*
- *Item Other includes R'1 831 that relates to provision made for the payment of long service qualifying officials with 20,30 and 40 years of service, and R'299 is provision of grade progression that will be paid in 2025/26 financial year.*

		2024/25	2023/24
<i>Included in the above totals are the following:</i>	<i>Note</i>	R'000	R'000
Confirmed balances with other departments	<i>Annex 5</i>	490	-
Confirmed balances with other government entities	<i>Annex 5</i>		-
Total		490	-

An amount of R'67 is payable to the Limpopo Department of Social Development. This relates to salary payments R'40 and associated employee benefits R'27 made by that department to employees who are in the process of being transferred, pending finalisation on the PERSAL system.

Additionally, an amount of R'423 relates to a salary claim for an employee seconded from the Limpopo Department of Economic Development, Environment and Tourism.

29. Lease commitments

29.1. Operating leases

	2024/25			
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment
	R'000	R'000	R'000	R'000
Not later than 1 year				-
Later than 1 year and not later than 5 years				-
Later than 5 years				-
Total lease commitments	-	-	-	-

	2023/24			
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment
	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	-
Later than 1 year and not later than 5 years	-	-	-	-
Later than 5 years	-	-	-	-
Total lease commitments	-	-	-	-

2024/25

2023/24

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	Note	R'000	R'000
Rental earned on sub-leased assets	3		-
Total		-	-

29.2. Finance leases **

2024/25				
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		64 534	2 477	67 011
Later than 1 year and not later than 5 years		276 149	166	276 315
Later than 5 years				-
Total lease commitments	-	340 683	2 643	343 326

2023/24				
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	-	59 754	2 896	62 650
Later than 1 year and not later than 5 years	-	340 683	836	341 519
Later than 5 years	-	-	-	-
Total lease commitments	-	400 437	3 732	404 169

** This note excludes leases relating to public private partnerships as they are separately disclosed in the note on *Public Private Partnerships*.

Lease Commitments – Buildings

The Department has renewed the lease agreement for its Head Office located at 43 Church Street, Polokwane. The lease commenced on 01 December 2019 and is valid for a period of 9 years and 11 months, ending on 30 October 2029.

- The current monthly rental is R5 238 (rounded to the nearest thousand).*

- The lease includes an escalation clause of 8% per annum, effective from 01 December 2025.
- The Department holds an option to purchase the property at any point during the lease term.

Lease Commitments – Equipment and Communication Devices

The Department also has the following active lease agreements for equipment and devices:

- 106 machines (contract TC/LP 01/2019) at a monthly rental of R2 252.
- 542 MTN cell phones at R90.00 per month each.
- 417 Telkom routers at R30.00 per month each.

These lease arrangements are recognised as operating leases as the risks and rewards of ownership remain with the lessors. Payments are made monthly and are included under operating lease expenditure.

Operating Leases – Buildings and Equipment

The Department has entered into various operating lease agreements for buildings and equipment, generally with lease terms averaging 3 years, and with options to renew upon expiry. These leases typically include an annual escalation of 5%.

The Department's major lease contract relates to the Head Office building located at 43 Church Street, Polokwane, renewed for a period of 9 years and 11 months, from 01 December 2019 to 30 October 2029.

- Monthly rental: R5 238
- Escalation clause: 8% effective from 01 December 2025
- Purchase option: The Department may purchase the property at any point during the lease term

Operating Leases – Equipment and Communication Devices

The Department has entered into operating leases for:

- 106 leased machines (TC/LP 01/2019) at R2 252 per month
- 542 MTN mobile phones at R90/month
- 417 Telkom routers at R30/month

These items are leased monthly, and all lease payments are recognised as expenditure in the statement of financial performance.

Short-Term Leases

Short-term lease arrangements include month-to-month rentals for parking bays and residential accommodation. These are not considered significant in terms of long-term commitments.

Transversal Contract Participation

The Department is participating in Transversal Contract RT15-2021: Supply and Delivery of Mobile Communication Services, from 01 April 2021 to 31 March 2026, managed by National Treasury. This contract governs the Department's voice and data service expenditure.

	Note	2024/25 R'000	2023/24 R'000
Rental earned on sub-leased assets	3	-	-
Total		-	-

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29.3. Operating lease future revenue

2024/25				
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		10 053		10 053
Later than 1 year and not later than 5 years		12 732		12 732
Later than 5 years		334		334
Total operating lease revenue receivable	-	23 119		23 119

2023/24				
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	-	6 774	-	6 774
Later than 1 year and not later than 5 years	-	19 296	-	19 296
Later than 5 years	-	917	-	917
Total operating lease revenue receivable	-	26 987	-	26 987

Leases of office buildings and house rentals accommodation. The balance is for operating future lease revenue projection includes due to the renewed lease agreements for Giyani Government Complex (SARS and Mopani District Municipality is new contract that was not previously paying), Lebowakgomo Govt Complex. There are other contracts that expired and still operating from month to month- Giyani Govt Complex (SAPS, Dept. of Labour and Home Affairs). A detailed schedule is submitted to support the disclosed amounts, indicating lease periods and escalation rates.

During the current financial year, it was identified that future operating lease revenue from lease ATC South Africa Wireless Infrastructure PTY (Ltd) agreement was omitted from the prior year's financial records. The omission resulted in an understatement of revenue in the financial year ended 31 March 2024.

30. Accrued departmental revenue

	Note	2024/25 R'000	2023/24 R'000
Tax revenue			-
Sales of goods and services other than capital assets			-
Fines, penalties and forfeits			-
Interest, dividends and rent on land			-
Sales of capital assets			219
Transactions in financial assets and liabilities			-
Transfers received			-
Other		79 680	90380
Total		79 680	90 599

Reconciliation and Restatement of Accrued Departmental Revenue

Background

The department had previously received a qualified audit opinion on accrued departmental revenue relating to rental stock. To address material irregularities and misstatements, a forensic investigation into rental management was commissioned and finalized in December 2024 by an external service provider. Following the conclusion of this forensic audit, the department began implementing the audit recommendations. In parallel, the department applied the Auditor-General of South Africa (AGSA)'s five identified scenarios on rental management, as outlined in the AGSA's 2023/24 management report. These scenarios, in conjunction with strengthened internal controls, guided the recognition, measurement, and reporting of rental revenue in compliance with the Modified Cash Standard (MCS).

Reconciliation Process

The reconciliation process was aimed at ensuring accurate reporting by recognizing revenue only from tenants with valid lease agreements. The following data sources were used:

House registers

Approved rental tariffs

Valid lease agreements

Statements of account

This reconciliation led to a restatement of the opening balance through the following key adjustments:

1. Prior Year Adjustment – R'62 955

This amount, previously misclassified as accrued departmental revenue, was reversed. It had been included in the billing report from historical periods and included accumulated interests. Due to limitations in the AFS template, the amount was written off as irrecoverable without following the prescribed write-off process.

2. Adjustments for Properties with Incomplete Disposal Billing R'2 141

The restatement included:

R'579 billed in 2023/24 for properties with incomplete disposals

R'1 562 for unbilled occupational rent spanning 2020/21 to 2022/23

An amount of R'241 was subsequently written off in 2024/25 as irrecoverable because the department failed to bill buyers for occupational rent until property transfers were finalized.

3. Final Restated Accrued Departmental Revenue Balance

As a result of the reconciliation process, the accrued departmental revenue balance as of 31 March 2024 was restated to R'90 599. This is since the prior year's departmental accrued revenue was not recorded in accordance with the Modified Cash Standard (MCS). This figure excludes a prior year auction sale amount of R'219.

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Key Contributing Factors to Financial Loss

Refusal by tenants to sign updated lease agreements following increased rental tariffs.

Delays in the eviction process due to limited capacity in the legal unit.

Historic accrued revenue recognized that did not comply with the MCS.

Lack of timely billing for properties pending transfer.

Procedural non-compliance with the department's Write-Off SOP and Treasury Regulations.

Financial Losses for the Year Ended 31 March 2024 and 31 March 2025

Description Amount (R'000)

Illegal occupation and no valid lease agreements 62 955

Wrongful billing of non-MCS-compliant tenants & interest 16 076

Unbilled occupational rent for disposed properties 2 141

Write-offs historic irrecoverable debts 26 209

Total Financial Loss 107 421

These debts were deemed irrecoverable after all reasonable recovery attempts failed. External debt collectors were engaged, but interest continued to accrue on balances that had no chance of recovery, thus misrepresenting the department's financial position. Management opted to write off these amounts in the department's best interest.

Additional Information

Shared Services Revenue: R'25 419 recorded; R'10 838 received for 2024/25

Billing for Incomplete Property Disposals: R'606 recorded.

Advance Payments: Related to tenants with credit balances.

30.1. Analysis of accrued departmental revenue

	Note	2024/25 R'000	2023/24 R'000
Opening balance		90 599	117 629
Less: amounts received		34 190	23 548
Less: services received in lieu of cash			-
Add: amounts recorded		63 904	58 841
Less: amounts written off/reversed as irrecoverable			62 955
Less: amounts transferred to receivables for recovery			-
Advance payments received		3 993	632
Closing balance		79 680	90 599

Reconciliation and Restatement of Accrued Departmental Revenue

Background

The department had previously received a qualified audit opinion on accrued departmental revenue relating to rental stock. To address material irregularities and misstatements, a forensic investigation into rental management was commissioned and finalized in December 2024 by an external service provider. Following the conclusion of this forensic audit, the department began implementing the audit recommendations. In parallel, the department applied the Auditor-General of South Africa (AGSA)'s five identified scenarios on rental management, as outlined in the AGSA's 2023/24 management report. These scenarios, in conjunction with strengthened internal controls, guided the recognition, measurement, and reporting of rental revenue in compliance with the Modified Cash Standard (MCS).

Reconciliation Process

The reconciliation process was aimed at ensuring accurate reporting by recognizing revenue only from tenants with valid lease agreements. The following data sources were used:

House registers

Approved rental tariffs

Valid lease agreements

Statements of account

This reconciliation led to a restatement of the opening balance through the following key adjustments:

1. Prior Year Adjustment – R'62 955

This amount, previously misclassified as accrued departmental revenue, was reversed. It had been included in the billing report from historical periods and included accumulated interests. Due to limitations in the AFS template, the amount was written off as irrecoverable without following the prescribed write-off process.

2. Adjustments for Properties with Incomplete Disposal Billing R'2 141

The restatement included:

R'579 billed in 2023/24 for properties with incomplete disposals

R'1 562 for unbilled occupational rent spanning 2020/21 to 2022/23

An amount of R'241 was subsequently written off in 2024/25 as irrecoverable because the department failed to bill buyers for occupational rent until property transfers were finalized.

3. Final Restated Accrued Departmental Revenue Balance

As a result of the reconciliation process, the accrued departmental revenue balance as of 31 March 2024 was restated to R'90 599. This is since the prior year's departmental accrued revenue was not recorded in accordance with the Modified Cash Standard (MCS). This figure excludes a prior year auction sale amount of R'219.

Key Contributing Factors to Financial Loss

Refusal by tenants to sign updated lease agreements following increased rental tariffs.

Delays in the eviction process due to limited capacity in the legal unit.

Historic accrued revenue recognized that did not comply with the MCS.

Lack of timely billing for properties pending transfer.

Procedural non-compliance with the department's Write-Off SOP and Treasury Regulations.

Financial Losses for the Year Ended 31 March 2024 and 31 March 2025

Description Amount (R'000)

Illegal occupation and no valid lease agreements 62 955

Wrongful billing of non-MCS-compliant tenants & interest 16 076

Unbilled occupational rent for disposed properties 2 141

Write-offs historic irrecoverable debts 26 209

Total Financial Loss 107 421

These debts were deemed irrecoverable after all reasonable recovery attempts failed. External debt collectors were engaged, but interest continued to accrue on balances that had no chance of recovery, thus misrepresenting the department's financial position. Management opted to write off these amounts in the department's best interest.

Additional Information

Shared Services Revenue: R'25 419 recorded; R'10 838 received for 2024/25

Billing for Incomplete Property Disposals: R'606 recorded.

Advance Payments: Related to tenants with credit balances.

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30.2. Accrued departmental revenue written off

Nature of losses	Note	2024/25 R'000	2023/24 R'000
Rental Financial Loss		44 626	62 955
			-
Total		44 626	62 955

Key Contributing Factors to Financial Loss

Refusal by tenants to sign updated lease agreements following increased rental tariffs.

Delays in the eviction process due to limited capacity in the legal unit.

Historic accrued revenue recognized that did not comply with the MCS.

Lack of timely billing for properties pending transfer.

Procedural non-compliance with the department's Write-Off SOP and Treasury Regulations.

Financial Losses for the Year Ended 31 March 2024 and 31 March 2025

Description Amount (R'000)

Illegal occupation and no valid lease agreements 62 995

Wrongful billing of non-MCS-compliant tenants & interest 16 076

Unbilled occupational rent for disposed properties 2 141

Write-offs historic irrecoverable debts 26 209

Total Financial Loss 107 421

These debts were deemed irrecoverable after all reasonable recovery attempts failed. External debt collectors were engaged, but interest continued to accrue on balances that had no chance of recovery, thus misrepresenting the department's financial position. Management opted to write off these amounts in the department's best interest.

30.3. Impairment of accrued departmental revenue

	Note	2024/25 R'000	2023/24 R'000
Estimate of impairment of accrued departmental revenue		134 836	120 713
Total		134 836	120 713

The impairment was determined using an expected cash flow approach, incorporating the present value of anticipated recoverable amounts. This ensures that the revenue is presented fairly, reflecting the expected recoverability and improving the reliability of financial reporting.

31. Unauthorised, Irregular and Fruitless and wasteful expenditure

	Note	2024/25 R'000	2023/24 R'000
Unauthorised expenditure - current year		-	-
Irregular expenditure - current year		340 439	414 311
Fruitless and wasteful expenditure - current year		2 272	27 763
Total		342 711	442 074

Irregular expenditure is incurred from April to March 2025 from historic term of contracts of Roads routine households' maintenance projects identified during 2022-23 financial year audit on non-compliance with SCM prescripts on Bids administration, and other suppliers for SCM non-compliance procurements. And paved and unpaved roads projects identified during 2023/24 financial year audit. Total fruitless and wasteful expenditure for current year is R'2 272. The fruitless and wasteful expenditure incurred is for municipal and Eskom overdue accounts amounting to R'23, is for municipal services overdue accounts and for penalties on vehicle licensing. There is fruitless and wasteful expenditure amounting to R'2 249 incurred on payment of penalties on Revitalisation of Letaba A6, due to default interests on the contractor's delayed payment as ordered by the court.

There is no unauthorised expenditure incurred in the current financial year.

32. Related party transactions

	Note	2024/25 R'000	2023/24 R'000
Revenue received			
Tax revenue			-
Sales of goods and services other than capital assets			-
Fines, penalties and forfeits			-
Interest, dividends and rent on land			-
Sales of capital assets			-
Transactions in financial assets and liabilities			-
Transfers received			-
Total		-	-

	Note	2024/25 R'000	2023/24 R'000
Payments made			
Compensation of employees			-
Goods and services			-
Interest and rent on land			-
Expenditure for capital assets			-
Payments for financial assets			-

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Transfers and subsidies		-
Total	-	-

		2024/25	2023/24
Year end balances arising from revenue/payments	<i>Note</i>	R'000	R'000
Receivables from related parties			-
Payables to related parties			-
Total		-	-

		2024/25	2023/24
Loans to/from related parties	<i>Note</i>	R'000	R'000
Non-interest bearing loans to/(from)			-
Interest bearing loans to/(from)			-
Total		-	-

		2024/25	2023/24
Other	<i>Note</i>	R'000	R'000
Guarantees issued/received			-
<i>List other contingent liabilities between the department and related party</i>			-
			-
Total		-	-

		2024/25	2023/24
In-kind goods and services (provided)/received	<i>Note</i>	R'000	R'000
<i>List in-kind goods and services between the department and related party</i>			
Audit committee services – Provincial Treasury		709	647
Internal Audit service - Provincial Treasury		3 090	4 918
Rental Revenue Collection – Limpopo Department of Health		46 639	46 236
Assets transfers: Scanners and money detector – Provincial Treasury			287
Assets transfers: Cabinet Steel transferred - Dept of Social Development			3
Secondment of the Head of Department- Dept Co-operative Governance, Human Settlements and Traditional Affairs (CoGHSTA)			1 890

Secondment of the acting Head of Department- Limpopo Provincial Treasury	1 517	1 549
Total	51 955	55 530

1. Road Agency Limpopo (RAL) is the entity of the Department responsible for the planning, designing, upgrading and maintaining, own and control the usage of roads and their reserves.
2. Limpopo Treasury- renders shared Internal Audit and Audit Committee services at no charge to the Department.
3. Provincial Departments-The Department is a related party to all Provincial departments within the Limpopo Province in executing its constitutional mandate for provision and management of all provincial government buildings. Those departments collect rental revenue on behalf of the department.
4. All provincial departments- Department is related party to all provincial departments as they all fall within same portfolio.
5. Limpopo Department of Health - Limpopo Department of Health collected rental revenue amounting to R'46 639 on behalf of the department and paid it over directly to Treasury. Collection from April 2024 to March 2025.
9. Limpopo Provincial Treasury- secondment of Mr. Phukuntsi to serve the department as acting Head of Department from July 2023, amount disclosed for April 2024 to February 2025 exclude the 10% HOD allowance and travel and subsistence claims.

Limpopo Dept Co-operative Governance, Human Settlements and Traditional Affairs (CoGHSTA)- secondment of Head of Department from May 2023 to March 2024, The contract of Head of Department Mr. DT Seroka expired 31 March 2024 and therefore the related party transaction for his secondment to CoGHSTA is nil in the current financial year.

The department has the following related party that does not fall under chapter 15 of MSC however are hereby disclosed as per Treasury Regulations 21.2 Acceptance of gifts, donations and sponsorships to the state. 21.2.1 The accounting officer may approve the acceptance of any gift, donation or sponsorship to the state, whether such gifts, donations or sponsorships are in cash or kind.

The department has a related party in kind to the following municipalities and Limpopo Provincial Legislature (Offices at Lebowaqomo government complex and Parliamentary Village Boardrooms) in the province who receives office accommodation with no costs.

1. Collins Chabane Local Municipality, 2. Vhembe District Municipality.

Limpopo Provincial Treasury - The department has the following related party that does not fall under chapter 15 of MSC however are hereby disclosed as per Treasury Regulations 21.2 Acceptance of gifts, donations and sponsorships to the state. 21.2.1 The accounting officer may approve the acceptance of any gift, donation or sponsorship to the state, whether such gifts, donations or sponsorships are in cash or kind.

33. Key management personnel

	2024/25 R'000	2023/24 R'000
Political office bearers (provide detail below)	2 327	2 147
Officials:		
Level 15-16	2 143	1 686
Level 14 including CFO	12 693	10 174

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Level 12-13 7 575 9 090

Family members of key management personnel	558	406
Total	25 296	23 503

	2024/25 R'000	2023/24 R'000
Key management personnel (Parliament/Legislatures)		
Speaker to Parliament/Legislature		-
Deputy Speaker		-
Secretary to Parliament/Legislature		-
Deputy Secretary		-
Chief Financial Officer		-
Legal advisor		-
Other		-
Total	-	-

Key management personnel consist of two political office bearers, specifically Members of the Executive Council (MECs), following a change in leadership after the appointment of the seventh administration. At the senior management level, one employee served as Acting Head of Department (HOD) until the permanent HOD position was filled in February 2025. The department also includes nine Chief Directors, including the Chief Financial Officer, all on salary level 14, as well as five District Directors on salary level 13. In addition, two family members of officials classified as key management personnel are employed within the department.

34. Public private partnership

	Note	2024/25 R'000	2023/24 R'000
Concession fee received		-	-
Base fee received		-	-
Variable fee received		-	-
Other fees received (<i>Specify</i>)		-	-
Unitary fee paid		-	-
Fixed component		-	-
Indexed component		-	-

Analysis of indexed component

Compensation of employees
 Goods and services (excluding lease payments)
 Operating leases
 Interest

-	-
-	-
-	-
-	-
-	-

Capital / (Liabilities)

Tangible rights
 Intangible rights
 Property
 Plant and equipment
 Loans

-	-
-	-
-	-
-	-
-	-
-	-

Other

Prepayments and advances
 Pre-production obligations
 Other obligations

-	-
-	-
-	-
-	-

Any guarantees issued by the department are disclosed in the Note on *Contingent liabilities*.

35. Impairment (other than receivables, accrued departmental revenue, loans and investments)

	Note	2024/25 R'000	2023/24 R'000
<i>Please specify</i>			-
			-
Total		-	-

No applicable

36. Provisions

	Note	2024/25 R'000	2023/24 R'000
<i>Please specify</i>			-
			-
Total		-	-

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36.1. Reconciliation of movement in provisions - Current year

2024/25			
Provision 1	Provision 2	Provision 3	Total provisions
R'000	R'000	R'000	R'000
Opening balance			-
Increase in provision			-
Settlement of provision			-
Unused amount reversed			-
Reimbursement expected from third party			-
Change in provision due to change in estimation of inputs			-
Closing balance	-	-	-

Reconciliation of movement in provisions - Prior year

2023/24			
Provision 1	Provision 2	Provision 3	Total provisions
R'000	R'000	R'000	R'000
Opening balance	-	-	-
Increase in provision	-	-	-
Settlement of provision	-	-	-
Unused amount reversed	-	-	-
Reimbursement expected from third party	-	-	-
Change in provision due to change in estimation of inputs	-	-	-
Closing balance	-	-	-

37. Non-adjusting events after reporting date

2024/25	
Nature of the event	Note
R'000	
<i>Include an estimate of the financial effect of the subsequent non-adjusting events or a statement that such an estimate cannot be made</i>	

Total

-

38. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	2024/25				
	Opening balance	Value adjustments	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS	-	-	-	-	-
Heritage assets	-				-
MACHINERY AND EQUIPMENT	845 704		141 255	12 435	974 523
Transport assets	228 557		67 606	6 125	290 038
Computer equipment	52 215		6 752	1 837	57 129
Furniture and office equipment	38 115		1 537	1 263	38 389
Other machinery and equipment	526 817		65 360	3 210	588 967
SPECIALISED MILITARY ASSETS	-		-	-	-
Specialised military assets	-		-	-	-
BIOLOGICAL ASSETS	-		-	-	-
Biological assets	-		-	-	-
FINANCE LEASE ASSETS	5 937		2 610	-	8 547
Finance lease assets	5 937		2 610		8 547
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	851 641		143 865	12 435	983 070

During the 2024/2025 financial year, the department effected a reclassification of assets Machinery and Equipment, which included Transport Assets, Computer Equipment, Furniture and Office Equipment, and Other Machinery and Equipment. This reclassification had a net effect of zero, as it represented internal movements between asset categories with no impact on the total carrying amount.

The asset register additions differ with trial balance by amount of R '2029 assets received in the previous financial year but paid in the current financial year. Included in the total value of R'12 435 for disposals is R'9 520 for assets auctioned and R'2 915 for assets written off.

During the 2024/2025 financial year, the department effected adjustments to both movable and immovable

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tangible capital assets because of a change in accounting policy. This change was implemented to ensure compliance with the Modified Cash Standard (MCS), Chapter 13, relating to the recognition and measurement of finance lease assets. An adjustment to the opening balances was made amounting to R5 592, with additional assets recognised amounting to R345, resulting in a rounded total of R5 937.

Movable Tangible Capital Assets under investigation	Number	Value
	Note	R'000
Included in the above total of the movable tangible capital assets per the asset register that are under investigation:		
Heritage assets		
Machinery and equipment	439	15 611
Specialised military assets		
Biological assets		
Total	439	15 611

Included in the 439 number of assets with value of R '15 611 are 21 assets with the value of R '4 532 reported to SAPS, 9 assets to the value of R '86 burnt by fire and 409 assets to the value of R '10 993 unverified during 2024/2025 financial year.

38.1. MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2024/25				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS	-	-	-	-	-
Heritage assets	-	-	-	-	-
MACHINERY AND EQUIPMENT	776 258	-	107 594	38 149	845 704
Transport assets	169 941	57 449	6 357	5 190	228 557
Computer equipment	50 109	687	3 118	1 699	52 215
Furniture and office equipment	38 877	-1 714	1 101	149	38 115
Other machinery and equipment	517 332	-56 422	97 018	31 111	526 817
SPECIALISED MILITARY ASSETS	-	-	-	-	-
Specialised military assets	-	-	-	-	-
BIOLOGICAL ASSETS	-	-	-	-	-

Biological assets	-	-	-	-
FINANCE LEASE ASSETS	5 592	-	345	- 5 937
Finance lease assets	5 592		345	- 5 937
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	781 850	-	107 939	38 149 851 641

38.1.1. Prior period error

Nature of prior period error	Note	2023/24 R'000
Relating to 2023/24 <i>[affecting the opening balance]</i>		-
Transport assets		57 449
Computer Equipment		687
And Equipment		-58 136
Relating to 2024/25		-
Total prior period errors		-

During the 2024/2025 financial year, the department effected a reclassification of assets Machinery and Equipment, which included Transport Assets, Computer Equipment, Furniture and Office Equipment, and Other Machinery and Equipment. This reclassification had a net effect of zero, as it represented internal movements between asset categories with no impact on the total carrying amount.

During the 2024/2025 financial year, the department effected adjustments to both movable and immovable tangible capital assets because of a change in accounting policy. This change was implemented to ensure compliance with the Modified Cash Standard (MCS), Chapter 13, relating to the recognition and measurement of finance lease assets. An adjustment to the opening balances was made amounting to R5 592, with additional assets recognised amounting to R345, resulting in a rounded total of R5 937.

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38.2. Minor assets

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	2024/25					
	Specialis ed military assets	Intangibl e assets	Heritage assets	Machiner y and equipme nt	Biologica l assets	Finance lease assets
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	32 403	-	186
Value adjustments						-
Additions				768		768
Disposals				2 054		2 054
Total Minor assets	-	-	-	31 117	-	186

	Specialis ed military assets	Intangibl e assets	Heritage assets	Machiner y and equipme nt	Biologica l assets	Finance lease assets
	R'000	R'000	R'000	R'000	R'000	R'000
Number of R1 minor assets				4 074		4 074
Number of minor assets at cost				16 079		16 079
Total number of minor assets	-	-	-	20 153	-	-

Minor capital assets under investigation

	Number	Value
	Note	R'000
Included in the above total of the minor capital assets per the asset register that are under investigation:		
Specialised military assets		
Intangible assets		
Heritage assets		
Machinery and equipment	1 249	2 122
Biological assets		

Total number of 1249 assets to value of R 2 122 are under investigation, 1249 comprises of 15 assets to the value of R'26 that were burnt by fire in parliamentary village and 1234 assets to the value of R'2 096 that are reported unverified during 2024/2025 financial year.

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24						
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	32 666	-	186	32 852
Prior period error	-	-	-	-	-	-	-
Additions	-	-	-	87	-	-	87
Disposals	-	-	-	350	-	-	350
Total Minor assets	-	-	-	32 403	-	186	32 589

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
Number of R1 minor assets	-	-	-	4 293	-	-	4 293
Number of minor assets at cost	-	-	-	16814	-	-	16 814
Total number of minor assets	-	-	-	21 107	-	-	21 107

During the 2024/2025 financial year, the department implemented Chapter 13 of the Modified Cash Standard (MCS) relating to the recognition and measurement of finance lease assets. However, the implementation was delayed, and some elements of the policy were applied retrospectively.

As part of the transition to the new accounting policy, an adjustment of R186 for minor assets was made in the prior year to reflect the correct recognition of finance lease assets in accordance with the MCS. This adjustment forms part of the department's overall retrospective alignment with the Modified Cash Standard.

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38.2.1. Prior period error

Nature of prior period error	Note	2023/24 R'000
Relating to 2024/25 <i>[affecting the opening balance]</i>		-
		-
Relating to 2023/24		-
		-
Total prior period errors		-

38.3. Movable capital assets written off

MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2025

	2024/25					
	Specialis ed military assets	Intangibl e assets	Heritage assets	Machiner y and equipme nt	Biologic al assets	Finance lease assets
	R'000	R'000	R'000	R'000	R'000	R'000
Assets written off				3 564		
Total movable assets written off	-	-	-	3 564	-	-

MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2024

	2023/24					
	Specialis ed military assets	Intangibl e assets	Heritage assets	Machiner y and equipme nt	Biologic al assets	Finance lease assets
	R'000	R'000	R'000	R'000	R'000	R'000
Assets written off	-	-	-	-	-	-
Total movable assets written off	-	-	-	-	-	-

38.4. Movable tangible capital assets: Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2025

2024/25				
	Opening balance 1 April 2025	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminate d	Closing balance 31 March 2025
Note	R'000	R'000	R'000	R'000
Heritage assets	-	-	-	-
Machinery and equipment	-	-	-	-
Specialised military assets	-	-	-	-
Biological assets	-	-	-	-
Total	-	-	-	-

Payables not recognised relating to Capital WIP

	Note	2024/25 R'000	2023/24 R'000
Amounts relating to progress certificates received but not paid at year end and therefore not included in capital work-in-progress			-
			-
			-
			-
Total		-	-

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2024

2023/24					
	Opening balance 1 April 2023	Prior period error	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2024
Note	R'000	R'000	R'000	R'000	R'000
Heritage assets	-	-	-	-	-
Machinery and equipment	-	-	-	-	-
Specialised military assets	-	-	-	-	-
Biological assets	-	-	-	-	-
Total	-	-	-	-	-

Annex 7

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39. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	2024/25			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
SOFTWARE	-			-
	-			-
MASTHEADS AND PUBLISHING TITLES	-			-
	-			-
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS	-			-
	-			-
RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS	-			-
	-			-
SERVICES AND OPERATING RIGHTS	-			-
	-			-
FINANCE LEASE ASSETS				-
	-			-
TOTAL INTANGIBLE CAPITAL ASSETS	-	-	-	-

Intangible Capital Assets under investigation

	Number	Value
	Note	R'000
Included in the above total of the intangible capital assets per the asset register that are under investigation:		
Software		
Mastheads and publishing titles		
Patents, licences, copyright, brand names, trademarks		
Recipes, formulae, prototypes, designs, models		
Services and operating rights		

39.1. MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	-	-	-	-	-
	-	-	-	-	-
MASTHEADS AND PUBLISHING TITLES	-	-	-	-	-
	-	-	-	-	-
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS	-	-	-	-	-
	-	-	-	-	-
RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS	-	-	-	-	-
	-	-	-	-	-
SERVICES AND OPERATING RIGHTS	-	-	-	-	-
	-	-	-	-	-
FINANCE LEASE ASSETS	-	-	-	-	-
	-	-	-	-	-
TOTAL INTANGIBLE CAPITAL ASSETS	-	-	-	-	-

39.1.1. Prior period error

Nature of prior period error	Note	2023/24 R'000
Relating to 2024/25 <i>[affecting the opening balance]</i>		-
Relating to 2023/24		-
Total prior period errors		-

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39.2. Intangible capital assets: Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2025

		Opening balance 1 April 2024	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2025
	Note	R'000	R'000	R'000	R'000
Intangible assets	Annex 7	-	-	-	-
Total		-	-	-	-

Payables not recognised relating to Capital WIP

	Note	2024/25 R'000	2023/24 R'000
<i>Amounts relating to progress certificates received but not paid at year end and therefore not included in capital work-in-progress</i>			-
			-
			-
			-
Total		-	-

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2024

		Opening balance 1 April 2023	Prior period error	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2024
	Note	R'000	R'000	R'000	R'000	R'000
Intangible assets		-	-	-	-	-
Total		-	-	-	-	-

40. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	2024/25			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000

BUILDINGS AND OTHER FIXED STRUCTURES	5 011 793	110 628	-	5 122 421
Dwellings	671 050	407	-	671 457
Non-residential buildings	4 339 956	110 221	-	4 444 177
Other fixed structures	6 787	-	-	6 787
HERITAGE ASSETS	365 557	5 708	323	370 942
Heritage assets	365 557	5 708	323	370 942
LAND AND SUBSOIL ASSETS	271 617	134	2	271 749
Land	271 617	134	2	271 749
Mineral and similar non-regenerative resources	-	-	-	-
FINANCE LEASE ASSETS	362 950	-	-	362 950
Finance lease assets	362 950	-	-	362 950
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	6 011 917	116 470	325	6 128 062

Immovable Tangible Capital Assets Narration

Additions

During the 2024/25 financial year the department had Additions amount to R'116 470.

R'44 850 relates cash addition for the acquisition of Agatha Building through court settlement, R'13 601 relates to non-cash addition which was transferred from Department of Agriculture, Land Reform and Rural Development to Limpopo Department of Public Works, Roads and Infrastructure and another donated by Polokwane Local Municipality for the construction of the academic hospital. There were value adjustments amounting to R'58 019 for non-cash additions i.e. R'5 708 for Heritage, R'133 for Land, R'407 for Dwelling and R'51 771 for Non-Residential. The adjustments are a result of completed projects that were transferred through Section 42 by Provincial Treasury, Department of Transport, Legislature, Limpopo Economic Development and Tourism (LEDET) and 40 Paul Kruger LDPWR&I Project, whilst others resulted from updates of property values obtained from municipal valuation roll (MVR) for assets that were recorded at R1000 exceptional value.

Prior Year Errors there was prior year error amounting to R'990 due to the following:

Changes in classification

A change in classification of 12 immovable assets was discovered during the physical verification process i.e. 04 assets amounting to R'5 631 changed from Dwelling to Non-Residential and Other Fixed Structures. Whilst 05 assets amounting to R'1 816 changed from Land to Non-Residential and Other Fixed Structures and 03 assets amounting to R'1 910 changed from Non-Residential to Dwelling and Other Fixed Structures

Omissions

There are 06 immovable assets i.e. Dwellings amounting to R'990 that were discovered to be registered under the custodianship of provincial government of Limpopo, the registration was done by the Tubatse Local Municipality without notifying the department and the registration occurred in 2023/24 FY.

Errors

There was an erroneous capturing of an asset value under dwelling amounting to R'99, the assets are currently recorded at R1000 Exceptional Value.

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Prior Year Disposal

There was a prior year error of disposal amounting to R'5 697 resulting from 22 Elandskraal-A properties. Elandskraal-A town was donated to the municipality in 2006 when the entire town was donated to then Greater Marble Hall (now Ephraim Mogale Municipality) the donation of the entire town included 22 properties that were registered under Provincial Government of Limpopo. Upon reconciliation of the IAR with the deeds dumb for 2024/25 it was discovered that the 22 properties are no longer in the name of Provincial Government of Limpopo.

Restatement of Finance Lease Opening Balance

Late implementation of chapter 13 of Modified cash standard on finance lease assets resulted in restatement of finance lease assets opening balance of R'362 950.

Disposals

The department had 25 disposals amounting to R'6 022 i.e. R'127 for dwelling, R'5 544 for Non-Residential, R'28 for Land and R'323 for Heritage. The two were transferred to the municipalities for township establishment and one to the beneficiaries for land restitution whilst the 22 were transferred when the town was donated.

There are 109 assets that are recorded at exceptional value i.e. R1000, these assets are not yet included in the municipal valuation roll.

The department has eighteen (18) houses that were sold to beneficiaries; however, the disposal transactions are not concluded. The beneficiaries have paid the full purchase price; however they are owing municipalities for services as a result, the municipalities are unable to issue out clearance certificates which are required for registration.

Section 42 Transfer Not Registered

There are 16 completed projects transferred from various departments that were constructed on un-registered land amounting to R'102 896 i.e. 10 projects amounting to R'27 859 from Department of Transport and Community Safety and 6 projects amounting to R'75 038 from Department of Sports Arts & Culture. There were 33 schools that were surrendered to LDPWR&I from Department of Education that are not yet registered. Maphutha Malatji Hospital was moved from Limpopo Department of Health (LDoH) to Limpopo Department of Public Works Roads & Infrastructure (LDPWRI) for final completion. The project estimated budget for completion was appropriated to LDPWR&I. As of December 2024, the asset is ready for use as a result there was a value adjustment of R'203 573 for Maphutha Malatji on the Register. The asset is currently accounted for by both LDPWR&I and LDOH until the two accounting officers have reached an agreement in terms of accounting treatment which will be done by March 2026.

Immovable Tangible Capital Assets under investigation

	Number	Value R'000
<i>Note</i>		
Included in the above total of the immovable tangible capital assets per the asset register that are under investigation:		
Buildings and other fixed structures	102	108 556
Heritage assets		
Land and subsoil assets	85	49 078
Total	187	157 634

The department has 162 illegally invaded properties. Of the 162, 77 are of Buildings & Other Fixed Structures and 85 are Land parcels across the province, these have been escalated to Legal Services for further investigations and assistance. The properties amount to R'144 653 in total i.e. R'95 575 for buildings & other fixed structures, R'49 078 for land.

The department has 30 properties amounting to R14 527 that it is unable to manage due to occupiers not having lease agreements with the department. Most occupiers are supposed to be serviced by National Public Works. Of the 30 properties, five (5) were accounted for under the illegal invasions list, thus leaving the remaining 25 to be accounted for under this category. The 25 properties amount to R'12 981 for buildings & other fixed structures.

40.1. MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	4 922 348	-2 964	92 763	354	5 011 793
Dwellings	672 263	-3 718	2 859	354	671 050
Non-residential buildings	4 245 707	-1 655	89 904	-	4 333 956
Other fixed structures	4 378	2 409	-	-	6 787
HERITAGE ASSETS	361 770	-	3 852	65	365 557
Heritage assets	361 770	-	3 852	65	365 557
LAND AND SUBSOIL ASSETS	267 142	-1 842	6 910	593	271 617
Land	267 142	-1 842	6 910	593	271 617
Mineral and similar non-regenerative resources	-	-	-	-	-
FINANCE LEASE ASSETS	362 950	-	-	-	362 950
Finance lease assets	362 950	-	-	-	362 950
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	5 914 210	-4 806	103 525	1 012	6 011 917

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40.1.1. Prior period error

Nature of prior period error	Note	2023/24 R'000
Relating to <i>[affecting the opening balance]</i>		-1 842
Land		-1 842
Relating to 2023/24		-2 964
Dwellings		-3 718
Non-residential buildings		-1 655
Other fixed structure		2 409
Total prior period errors		-4 806

Prior Year Adjustments, to correct prior year error amounting to R'- 4 806 due to the following:

Changes in classification

A Change in classification of 12 immovable assets was discovered during the physical verification process i.e. 04 assets amounting to R'5 631 changed from Dwelling to Non-Residential and Other Fixed Structures. Whilst 05 assets amounting to R'1 816 changed from Land to Non-Residential and Other Fixed Structures and 03 assets amounting to R'1 910 changed from Non-Residential to Dwelling and Other Fixed Structures

Omissions

There are 06 immovable assets i.e. Dwellings amounting to R'990 that were discovered to be registered under the custodianship of provincial government of Limpopo, the registration was done by the Tubatse Local Municipality without notifying the department and the registration occurred in 2023/24 FY.

Errors

There was an erroneous capturing of an asset value under dwelling amounting to R'99, the assets are currently recorded at R1000 Exceptional Value.

Disposal

During the 2024/25 financial year, a prior year error was identified relating to the disposal of properties in the Elandskraal-A area, amounting to R'5 697. In 2006, the entire town of Elandskraal-A was transferred to the then Greater Marble Hall Municipality (now Ephraim Mogale Municipality). This transfer included 22 properties that were, at the time, registered under the Provincial Government of Limpopo. Upon reconciliation of the Immovable Asset Register (IAR) with the 2024/25 deeds dump, it was discovered that the 22 properties are no longer registered in the name of the Provincial Government of Limpopo. This error has now been corrected in the current financial statements.

40.2. Immovable tangible capital assets: Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2025

	2024/25			
	Opening balance 1 April 2024	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2025
	R'000	R'000	R'000	R'000
Heritage assets	-	-	-	-
Buildings and other fixed structures	208 367	149 286	238 996	118 657
Land and subsoil assets	-	-	-	-
Total	208 367	149 286	238 996	118 657

Note
Annex 7

A Proof of Correction (POC) journal amounting to R8 was passed to correct a misclassification related to refurbishment. This misclassification caused a difference between the Capital Work in Progress (CWIP) balance of R149,277 in the trial balance and the balance of R149,286 disclosed in the note above. Included in the Work in Progress (WIP) amount is R64,953 for the revitalization of the Maphutha Malatjie Hospital Outpatient Department (OPD) under project number LDPWRI - B/15004. This project was transferred from the Limpopo Department of Health (LDOH) to the Limpopo Department of Public Works, Roads & Infrastructure (LDPWRI) in February 2023 for final completion. The estimated project budget for completion was accordingly appropriated to LDPWRI. As of December 2024, the asset was ready for use, resulting in a value adjustment of R203,573 on the asset register for Maphutha Malatjie Hospital as disclosed in Annexure 9.

Currently, the asset is accounted for by both LDPWRI and Limpopo Department of Health (LDOH), pending finalisation of the accounting treatment. The two accounting officers are expected to reach an agreement by March 2026, after which the asset will be formally and solely recognised in the appropriate department's books

In the current year, department managed to fund Construction of Ephriam Mogale Cost Centre and appointed the contractor to complete the project that was previously implemented by inhouse manpower. Renovation of 40 Paul Kruger project amounting to R'35 423 has reached completion with final account certificate, ready for use and is recorded as assets to the Assets Register.

Included in the Work in Progress (WIP) amount is R11,307 related to the Letaba Hospital A6 replacement female medical ward, waste store upgrade, and other associated works. These funds were transferred/appropriated from the Department of Health (DoH) for completion by the Department of Public Works, Roads and Infrastructure (DPWRI). The Department of Health incurred expenditure amounting to R98,917 from the initial contract, while the remaining balance of R11,695 was transferred to DPWRI in November 2023. The Department of Health accounted for the majority of the project expenditure. A detailed Capital Work in Progress (CWIP) register is attached. The project is expected to be finalised and removed from CWIP by June 2025.

There is payables amounts relating to progress certificates received but not paid at year end and therefore not included in capital work-in-progress amounting to R'336. For the following project awarded in the current year and not yet paid:

- There is expenditure that relates to progress certificates of the work done but not paid at year end and

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therefore not included in capital work-in-progress] of Refurbishment of Giyani Chamber Complex Block F-project R'336

Payables not recognised relating to Capital WIP	Note	2024/25 R'000	2023/24 R'000
<i>Amounts relating to progress certificates received but not paid at year end and therefore not included in capital work-in-progress</i>			-
			960
		336	168
			-
Total		336	1 128

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2023/24

	2023/24				
	Opening balance 1 April 2023	Prior period error	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2024
Note	R'000	R'000	R'000	R'000	R'000
Heritage assets	-	-	-	-	-
Buildings and other fixed structures	71 515	-	136 852	-	208 367
Land and subsoil assets	-	-	-	-	-
Total	71 515	-	136 85	-	208 367

40.3. Immovable tangible capital assets written off

IMMOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2025

	2024/25			
	Building s and other fixed structure s	Heritage assets	Land and subsoil assets	Finance lease assets
	R'000	R'000	R'000	R'000
Assets written off				-

**Total Immovable capital assets
written off**

-	-	-	-	-

IMMOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2023

	2023/24			
	Building s and other fixed structure s	Heritage assets	Land and subsoil assets	Finance lease assets
	R'000	R'000	R'000	R'000
Assets written off	-	-	-	-
Total immovable capital assets written off	-	-	-	-

40.4. Immovable capital assets (additional information)

	Note	2024/25	2023/24
	Estimated completion date	Area	Area
a) Unsurveyed land	Annex 9		-
b) Properties deemed vested	Annex 9	Number	Number
Land parcels			-
Facilities			
Schools		2 157	1 981
Clinics		70	22
Hospitals		15	2
Office buildings		57	2
Dwellings		-	-
Storage facilities		331	-
Other		198	2
c) Facilities on unsurveyed land	Annex 9	Number	Number
Schools		2 217	2 194
Clinics		804	771
Hospitals		53	52
Office buildings		622	605
Dwellings		9	9

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Storage facilities	1	1
Other	2 700	2 614

d) Facilities on right to use land	Duration of use	<i>Annex 9</i>	Number	Number
Schools				-
Clinics				-
Hospitals				-
Office buildings				-
Dwellings				-
Storage facilities				-
Other				-
e) Agreement of custodianship		<i>Annex 9</i>	Number	Number
Land parcels				-
Facilities				-
Schools				-
Clinics				-
Hospitals				-
Office buildings				-
Dwellings				-
Storage facilities				-
Other				-

Property deemed vested are properties that are surveyed and not yet registered under the custodianship of Provincial Government of Limpopo.

Properties on unsurveyed land are properties not yet surveyed and not yet registered.

The total number of un-surveyed properties is 6406 for the 2024/25 FY made up of schools, clinics, hospitals, office buildings, storage facilities and other. The closing balance for 2023/24 FY was 6273, this total has increased by 133 for this financial year 2024/25 due an omission of criteria used in selecting these assets in the database, the criteria used was Acquisition, Donations, Re-Acquisition, Vesting and SDFs to be surveyed. In 2022/2023 and 2023/2024 financial years the criteria i.e. Donations and SDFs to be surveyed was used to select these properties. The duration of agreement to use the facilities is until the province no longer requires the facilities for service delivery objectives.

41. Principal-agent arrangements

41.1. Department acting as the principal

	Note	2024/25 R'000	2023/24 R'000
Development Bank of South Africa		503	2 053
Independent Development trust		448	-
 <i>Include a list of the entities acting as agents for the department, the fee paid as compensation to the agent and any other transactions undertaken</i>			
Total		951	2 053

Department paid management fees of R'503 to Development Bank of South Africa (DBSA) and R'448 Independent Development Trust (IDT) implementing agent in the current financial year. The department is the custodian of immovable assets in the province. The department has entered into service level agreements with the various user departments to deliver infrastructure projects on their behalf. Majority of the projects are for the Departments of Education and Health and include construction projects on Hospitals, schools, clinics and other build projects

The department has in turn contracted DBSA/IDT to deliver some of projects of the user departments due to capacity constraints. DBSA/IDT Act as implementing agents and will source contractors and render project management services. Management fees and all related expenses in terms of these arrangements are incurred by the user departments. This arrangement has no financial impact on the department. The department's revenues, expenditure, assets and liabilities are not affected by these arrangements.

41.2. Department acting as the agent

41.2.1. Revenue received for agency activities

	Note	2024/25 R'000	2023/24 R'000
<i>Include a list of the entities for which the department acts as an agent and the amounts received for these agency duties</i>			
-			
Department of Sports, Arts and Culture			
Department of Education			

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	-
Total	<u>-</u>

41.2.2. Reconciliation of funds and disbursements - Current year

	2024/25	
	Total funds received	Expenditure incurred against funds
Category of revenue or expenditure per arrangement	R'000	R'000
Total	-	-

	2023/24
	Expenditure incurred against funds
Total funds received	
Category of revenue or expenditure per arrangement	R'000

Total

-

-

41.2.3. Reconciliation of carrying amount of receivables and payables - current year

Receivables

2024/25

	Opening balance 1 April 2024	Revenue principal is entitled to	Less: Write offs / settlements / waivers	Cash received on behalf of principal	Closing balance 31 March 2025
Name of principal entity	R'000	R'000	R'000	R'000	R'000
Name of entity	-				-
	-				-
	-				-
Total	-	-	-	-	-

Payables

2023/24

	Opening balance 1 April 2023	Expenses incurred on behalf of the principal	Cash paid on behalf of the principal	Closing balance 31 March 2024
Name of principal entity	R'000	R'000	R'000	R'000
Name of entity	-			-
	-			-
	-			-
Total	-	-	-	-

Reconciliation of carrying amount of receivables and payables - prior year

Receivables

2024/25

	Opening balance 1 April 20YY	Revenue principal is entitled to	Less: Write offs / settlements / waivers	Cash received on behalf of principal	Closing balance 31 March 20ZZ
Name of principal entity	R'000	R'000	R'000	R'000	R'000

-

-

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Accounting estimate change 2: Provide a description of the change in estimate

Line item 1 affected by the change
Line item 2 affected by the change
Line item 3 affected by the change
Line item 4 affected by the change
Line item 5 affected by the change

Value derived using the original estimate	Value derived using the amended estimate	R-value impact of change in estimate
R'000	R'000	R'000

Accounting estimate change 3: Provide a description of the change in estimate

Line item 1 affected by the change
Line item 2 affected by the change
Line item 3 affected by the change
Line item 4 affected by the change
Line item 5 affected by the change

42.2. Changes in accounting policies

		2023/24				
		Opening balance before the change (1 Apr 2023)	Adjust-ment of opening balance	Restated opening balance after the change (1 Apr 2023)	Adjust-ment for 2023/24	Restated closing balance (31 Mar 2024)
Nature of change in accounting policy	Note	R'000	R'000	R'000	R'000	R'000
Finance lease assets						
Movable Tangible Capital Assets	38		5 592	5 592	345	5 937
Intangible Capital Assets	39			-		-
Immovable Tangible Capital Assets	40		362 950	362 950		362 950
Minor Assets	38			-	186	186

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During the 2024/2025 financial year, the department effected adjustments to both movable and immovable tangible capital assets as a result of a change in accounting policy. This change was implemented to ensure compliance with the Modified Cash Standard (MCS), Chapter 13, relating to the recognition and measurement of finance lease assets.

Movable Tangible Capital Assets

An adjustment to the opening balances was made amounting to R5 592, with additional assets recognised amounting to R345, resulting in a rounded total of R5 937. Adjustment of R186 in minor assets.

These adjustments were necessary to correctly reflect the department's finance lease assets in accordance with the updated accounting policy under the MCS. In accordance with Chapter 13, Paragraphs 17 and 19 of the MCS, and in instances where the implicit interest rate of the lease could not be determined, the department applied the incremental borrowing rate, using the prime lending rate of 11% to account for lease liabilities.

Immovable Tangible Capital Assets

An adjustment of R362 950 to the opening balance of immovable assets was made due to a change in accounting treatment. Previously, assets under finance leases were recognised at the end of the lease term; under the revised policy, such assets are now recorded at the commencement of the lease term, as required by the Modified Cash Standard (MCS).

This change in accounting policy has been applied retrospectively, in line with the transitional provisions of the MCS.

43. Prior period errors

43.1. Correction of prior period errors

		2023/24		
		Amount bef error correction	Prior period error	Restated
		R'000	R'000	R'000
Note				
Revenue: (E.g. Annual Appropriation, Departmental revenue, Aid assistance, etc.)				
Goods and services	6	1 195 711	-5	1 195 706
Operating future lease revenue: building and other fixed structure	29	26 041	946	26 987
Net effect		<u>1 221 752</u>	<u>941</u>	<u>1 222 693</u>

A correction journal amounting to -R5 was processed under the Goods and Services item to resolve an exception identified on the reporting template.

Note 29: Operating Lease Future Revenue

During the current financial year, it was identified that future operating lease revenue from lease ATC South Africa Wireless Infrastructure PTY (Ltd) agreement was omitted from the prior year's financial

records. The omission resulted in an understatement of revenue in the financial year ended 31 March 2024.

		2023/24		
		Amount bef error correction	Prior period error	Restated
Note		R'000	R'000	R'000
Expenditure: (E.g. Compensation of employees, Goods and services, Tangible capital assets, etc.)				-
				-
				-
				-
Net effect		-	-	-

		2023/24		
		Amount bef error correction	Prior period error	Restated
Note		R'000	R'000	R'000
Assets: (E.g. Receivables, Investments, Accrued departmental revenue, Movable tangible capital assets, etc.)				
Transport	38	171 108	57 449	228 557
Computer equipment	38	51 528	687	52 215
Furniture and office equipment	38	39 829	-1 714	38 115
Other machinery and equipment	38	583 239	-56 422	526 817
				-
Accrued departmental revenue	30	151 194	-60 814	90 380
Immovable Tangible assets: Land	40	273 459	-1 842	271 617
Immovable Tangible assets: Dwellings	40	674 768	-3 718	671 050
	40	4 335 611	-1 655	4 333 956
Immovable Tangible assets; Non-Residential Structures	40	4 379	2 409	6 788
Net effect		6 285 115	-65 620	6 219 495

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Movable tangible assets: There is a movement from change in classification of Transport Assets, Computer equipment, Furniture, and office equipment and Other machinery and equipment with net effect of zero.

Immovable Tangible Assets opening balance is restated to corrected prior year movement of assets discovered during physical verification with net effect of prior year adjustments amounting to R'- 4 806 due to the following:

Changes in classification

A Change in classification of 12 immovable assets was discovered during the physical verification process i.e. 04 assets amounting to R'5 631 changed from Dwelling to Non-Residential and Other Fixed Structures. Whilst 05 assets amounting to R'1 816 changed from Land to Non-Residential and Other Fixed Structures and 03 assets amounting to R'1 910 changed from Non-Residential to Dwelling and Other Fixed Structures

Omissions

There are 06 immovable assets i.e. Dwellings amounting to R'990 that were discovered to be registered under the custodianship of provincial government of Limpopo, the registration was done by the Tubatse Local Municipality without notifying the department and the registration occurred in 2023/24 FY.

Errors

There was an erroneous capturing of an asset value under dwelling amounting to R'99, the assets are currently recorded at R1000 Exceptional Value.

Disposal

During the 2024/25 financial year, a prior year error was identified relating to the disposal of properties in the Elandskraal-A area, amounting to R'5 697. In 2006, the entire town of Elandskraal-A was transferred to the then Greater Marble Hall Municipality (now Ephraim Mogale Municipality). This transfer included 22 properties that were, at the time, registered under the Provincial Government of Limpopo. Upon reconciliation of the Immovable Asset Register (IAR) with the 2024/25 deeds dump, it was discovered that the 22 properties are no longer registered in the name of the Provincial Government of Limpopo. This error has now been corrected in the current financial statements.

Restatement of Accrued Departmental Revenue

Background

The department had previously received a qualified audit opinion on accrued departmental revenue relating to rental stock. To address material irregularities and misstatements, a forensic investigation into rental management was commissioned and finalized in December 2024 by an external service provider. Following the conclusion of this forensic audit, the department began implementing the audit recommendations. In parallel, the department applied the Auditor-General of South Africa (AGSA)'s five identified scenarios on rental management, as outlined in the AGSA's 2023/24 management report. These scenarios, in conjunction with strengthened internal controls, guided the recognition, measurement, and reporting of rental revenue in compliance with the Modified Cash Standard (MCS).

Reconciliation Process

The reconciliation process was aimed at ensuring accurate reporting by recognizing revenue only from tenants with valid lease agreements. The following data sources were used:

House registers

Approved rental tariffs

Valid lease agreements

Statements of account

This reconciliation led to a restatement of the opening balance through the following key adjustments:

1. Prior Year Adjustment – R'62 955

This amount, previously misclassified as accrued departmental revenue, was reversed. It had been included in the billing report from historical periods and included accumulated interests. Due to limitations in the AFS template, the amount was written off as irrecoverable without following the prescribed write-off process.

2. Adjustments for Properties with Incomplete Disposal Billing R'2 141

The restatement included:

R'579 billed in 2023/24 for properties with incomplete disposals

R'1 562 for unbilled occupational rent spanning 2020/21 to 2022/23

An amount of R'241 was subsequently written off in 2024/25 as irrecoverable because the department failed to bill buyers for occupational rent until property transfers were finalized.

3. Final Restated Accrued Departmental Revenue Balance

As a result of the reconciliation process, the accrued departmental revenue balance as of 31 March 2024 was restated to R'90 599. This is since the prior year's departmental accrued revenue was not recorded in accordance with the Modified Cash Standard (MCS). This figure excludes a prior year auction sale amount of R'219.

		2023/24		
		Amount bef error correction	Prior period error	Restated
		R'000	R'000	R'000
Note				
Liabilities: (E.g. Payables current, Voted funds to be surrendered, Commitments, Provisions, etc.)				
Contingent liabilities	25	15 284	1 500	16 784
Net effect		15 284	1 500	16 784

Omissions on the schedule during adjustment period to register claim supported by Modified Cash Standard Chapter 14. Paragraph 50: Where department is jointly and severally liable for obligation that is expected to be met by other parties is treated as a contingent liability. The claim will be disclosed at summon amount until the 1st defendant register the claim in their books.

		2023/24		
		Amount bef error correction	Prior period error	Restated
		R'000	R'000	R'000
Note				
Other: (E.g. Unauthorised expenditure, Irregular expenditure, Fruitless and wasteful expenditure, etc.)				
				-
				-
				-
				-
Net effect		-	-	-

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44. Transfer of functions and mergers

44.1. Transfer of functions

44.1.1. Statement of Financial Position

	Balance before transfer date	Functions (transferred) / received	Functions (transferred) / received	Functions (transferred) / received	Balance after transfer date
		Dept. name (Specify)	Dept. name (Specify)	Dept. name (Specify)	
<i>Note</i>	R'000	R'000	R'000	R'000	R'000

ASSETS

Current Assets

Cash and cash equivalents
Other financial assets
Prepayments and advances
Receivables
Loans
Voted funds receivable
Statutory Appropriation receivable
Aid assistance prepayments
Aid assistance receivable

-	-	-	-	-
				-
				-
				-
				-
				-
				-
				-
				-

Non-Current Assets

Investments
Prepayments and advances
Receivables
Loans
Other financial assets

- - - - -

TOTAL ASSETS

- - - - -

LIABILITIES**Current liabilities**

Voted funds to be surrendered to the Revenue Fund
Statutory Appropriation to be surrendered to the
Revenue Fund
Departmental revenue and NRF Receipts to be
surrendered to the Revenue Fund
Bank Overdraft
Payables
Aid assistance repayable
Aid assistance unutilised

- - - - -

Non-Current liabilities

Payables

- - - - -

TOTAL LIABILITIES

- - - - -

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NET ASSETS

-	-	-	-	-

44.1.2. Notes

	Balance before transfer date	Functions (transferred) / received	Functions (transferred) / received	Functions (transferred) / received	Balance after transfer date
		Dept. name (Specify)	Dept. name (Specify)	Dept. name (Specify)	
Note	R'000	R'000	R'000	R'000	R'000
Contingent liabilities					-
Contingent assets					-
Capital commitments					-
Accruals					-
Payables not recognised					-
Employee benefits					-
Lease commitments - Operating leases					-
Lease commitments - Finance leases					-
Lease commitments - Operating lease revenue					-
Accrued departmental revenue					-
Impairment					-
Provisions					-
Movable tangible capital assets					-

Immovable tangible capital assets	-
Intangible capital assets	-

44.2 Mergers

44.2.1 Statement of Financial Position

	Balance before merger date	Balance before merger date	Balance before merger date	Balance before merger date	Balance after transfer date
	Combining Dept. (Specify)	Combining Dept. (Specify)	Combining Dept. (Specify)	Combining Dept. (Specify)	Combined Dept. (Specify)
<i>Note</i>	R'000	R'000	R'000	R'000	R'000
ASSETS					
Current Assets	-	-	-	-	-
Cash and cash equivalents					-
Other financial assets					-
Prepayments and advances					-
Receivables					-
Loans					-
Voted funds receivable					-
Statutory Appropriation receivable					-
Aid assistance prepayments					-
Aid assistance receivable					-
Non-Current Assets	-	-	-	-	-

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Investments					-
Prepayments and advances					-
Receivables					-
Loans					-
Other financial assets					-
TOTAL ASSETS	-	-	-	-	-
LIABILITIES					
Current liabilities	-	-	-	-	-
Voted funds to be surrendered to the Revenue Fund					-
Statutory Appropriation to be surrendered to the Revenue Fund					-
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund					-
Bank Overdraft					-
Payables					-
Aid assistance repayable					-
Aid assistance unutilised					-
Non-Current liabilities	-	-	-	-	-
Payables					
TOTAL LIABILITIES	-	-	-	-	-
NET ASSETS	-	-	-	-	-

44.2.2 Notes

	Balance before merger date	Balance before merger date	Balance before merger date	Balance before merger date	Balance after transfer date
	Combining Dept. (Specify)	Combining Dept. (Specify)	Combining Dept. (Specify)	Combining Dept. (Specify)	Combined Dept. (Specify)
Note	R'000	R'000	R'000	R'000	R'000
Contingent liabilities					-
Contingent assets					-
Capital commitments					-
Accruals					-
Payables not recognised					-
Employee benefits					-
Lease commitments - Operating leases					-
Lease commitments - Finance leases					-
Lease commitments - Operating lease revenue					-
Accrued departmental revenue					-
Impairment					-
Provisions					-
Movable tangible capital assets					-
Immovable tangible capital assets					-
Intangible capital assets					-

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45. Statement of conditional grants received

Name of grant	2024/25									2023/24	
	GRANT ALLOCATION					SPENT					
	Division of Revenue Act / Provincial grants	Roll overs	DORA Adjust-ments	Other Adjust-ments	Total Available	Amount received by depart-ment	Amount spent by depart-ment	Under- / (Oversp ending)	% of available funds spent by depart-ment	Division of Revenue Act / Provincial grants	Amount spent by depart-ment
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
EPWP Integrated grant	8 698				8 698	8 698	8 695	3	100%	16 997	16 997
Provincial Roads Maintenance Grant	1 964 546				1 964 546	1 964 546	1 964 043	503	100%	1 725 197	1 689 695
					-	-					
					-	-					
					-	-					
					-	-					
TOTAL	1 973 244	-	-	-	1 973 244	1 973 244	1 972 738	506		1 742 194	1 706 692

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.

46. Statement of conditional grants paid to the provinces

[illegible]

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	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.														
Eastern Cape														
Free State														
Gauteng														
Kwazulu-Natal														
Limpopo														
Mpumalanga														
Northern Cape														
North West														
Western Cape														
TOTAL	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.														
Eastern Cape														
Free State														
Gauteng														
Kwazulu-Natal														
Limpopo														
Mpumalanga														
Northern Cape														

North West
Western Cape

TOTAL

-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

3.

Eastern Cape
Free State
Gauteng
Kwazulu-Natal
Limpopo
Mpumalanga
Northern Cape
North West
Western Cape

TOTAL

-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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.

National Department surrender of unspent conditional grant not approved for rollover

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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AFS Limpopo Department of Public Works, Roads and Infrastructure for the year ended 31 March 2025

47. Statement of conditional grants and other transfers paid to municipalities

Name of municipality	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
	DORA and other transfers	Roll overs	Adjustments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury / National Department	DORA and other transfers	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
CAPRICORN DISTRICT	74 097			74 097	74 426			130 389	130 202
MOPANI DISTRICT	23 924			23 924	24 416			19 611	19 554
SEKHUKHUNE DISTRICT	38 986			38 986	37 824			36 855	36 669
WATERBERG DISTRICT	19 455			19 455	19 355			15 656	11 871
VHEMEBE DISTRICT	16 541			16 541	16 247			14 071	14 055
TOTAL	173 003	-	-	173 003	172 268	-	-	216 582	212 351

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.

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48. 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.

49. Natural disaster or relief expenditure

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Compensation of employees		-	-
Goods and services		-	-
Transfers and subsidies		-	-
Expenditure for capital assets		-	-
Other		-	-
Total	<i>Annex 11</i>	-	-

ANNEXURE 1A

STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

[illegible]

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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.

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

Departmental Agency or Account	2024/25						2023/24	
	TRANSFER ALLOCATION				TRANSFER			
	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
PROV DA: LP Roads Agency	2 895 431			2 895 431	2 895 431	100%	2 345 940	2 345 940
				-				
				-				
TOTAL	2 895 431	-	-	2 895 431	2 895 431	-	2 345 940	2 345 940

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ANNEXURE 1C

STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS

Higher Education Institution	2024/25							2023/24	
	TRANSFER ALLOCATION				TRANSFER				
	Adjusted Budget	Roll overs	Adjustment s	Total Available	Actual transfer	Amount not transferred	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-	-	-

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

[illegible]

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Total	-	-	-	-	-	-	-	-	-	-	-
Subsidies											
Total	-	-	-	-	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-	-	-	-	-

ANNEXURE 1E

STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

Foreign government / International organisation	2024/25						2023/24	
	TRANSFER ALLOCATION				EXPENDITURE			
	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-
Subsidies								
Total	-	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-	-

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ANNEXURE 1F

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

	2024/25						2023/24	
	TRANSFER ALLOCATION				EXPENDITURE			
	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Non-profit institutions								
Transfers	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-
Subsidies								
Total	-	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-	-

ANNEXURE 1G

STATEMENT OF TRANSFERS TO HOUSEHOLDS

Household	2024/25						2023/24	
	TRANSFER ALLOCATION				EXPENDITURE			
	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
INJURY ON DUTY	2 125			2 125	1 440	67 .8%	3 420	3 179
LEAVE GRATUITY	28 743			28 743	31 866	110.9%	28 866	27 608
BURSARIES(NON EMPLOYEES)	3 090			3 090	3 090	100.0%	750	758
CLAIMS AGAINST THE STATE	3 000			3 000	2 441	81.4%	829	177
Total	36 958			36 958	38 837		33 865	31 722
Subsidies	-			-	-	-	-	-
	-			-	-	-	-	-
	-			-	-	-	-	-
Total	-			-	-	-	-	-
TOTAL	36 958			36 958	38 837		33 865	31 722

Include discussion here where deemed relevant.

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ANNEXURE 1H

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

		2024/25	2023/24
Name of organisation	Nature of gift, donation or sponsorship	R'000	R'000
<u>Received in cash</u>			
Gifts		-	-
		-	-
Total gifts		-	-
Donations		-	-
		-	-
Total donations		-	-
		-	-
Sponsorships		-	-
		-	-
Total sponsorships		-	-
		-	-
Subtotal - received in cash		-	-
<u>Received in kind</u>		-	-
Gifts		-	-
		-	-

Total gifts	-	-
Donations	-	-
Total donations	-	-
Sponsorships	-	-
Total sponsorships	-	-
Subtotal – received in kind	-	-
TOTAL GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED	-	-

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**ANNEXURE 1I
STATEMENT OF AID ASSISTANCE RECEIVED**

Name of donor	Purpose	Opening balance	Revenue	Expenditure	Paid back on / by 31 March	Closing balance
		R'000	R'000	R'000	R'000	R'000
Aid assistance received in cash		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
Subtotal		-	-	-	-	-
Aid assistance received in kind		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
Subtotal		-	-	-	-	-
TOTAL AID ASSISTANCE RECEIVED		-	-	-	-	-

ANNEXURE 1J

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

Nature of gift, donation or sponsorship <i>(Group major categories but list material items including name of organisation)</i>	2024/25	2023/24
	R'000	R'000
Made in kind	-	-
Gifts	-	-
	-	-
	-	-
	-	-
Total gifts	-	-
	-	-
Donations	-	-
	-	-
	-	-
	-	-
Total donations	-	-
	-	-
Sponsorships	-	-
	-	-
	-	-
	-	-
Total sponsorships	-	-
	-	-
TOTAL GIFTS, DONATIONS AND SPONSORSHIPS MADE IN KIND	-	-

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ANNEXURE 1K

STATEMENT OF ACTUAL MONTHLY EXPENDITURE PER GRANT

Grant Type	Apr 2024	May 2024	Jun 2024	July 2024	Aug 2024	Sept 2024	Oct 2024	Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
EPWP	153	1 617	78	2 704	688	549	499	379	482	269	354	923	8 695
PROV ROADS MAIN	288 218	223 853	203 440	54 150	49 869	432 997	215 015	92 727	68 375	216 309	38 837	80 253	1 964 043
TOTAL	288 371	225 470	203 518	56 854	50 557	433 546	215 514	93 106	68 857	216 578	39 191	81 176	1 972 738

ANNEXURE 1L
STATEMENT OF INDIRECT GRANTS BETWEEN NATIONAL DEPARTMENTS AND MUNICIPALITIES

Name of Grant	GRANT ALLOCATION				SPENT
	Division of Revenue Act	Roll overs	Adjustments	Total Available	Amount spent
	R'000	R'000	R'000	R'000	R'000
	-	-	-	-	-
	-	-	-	-	-
TOTAL	-	-	-	-	-

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ANNEXURE 2A

STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO NATIONAL/PROVINCIAL PUBLIC ENTITIES

Name of public entity	State Entities' PFMA Schedule type (state year-end if not 31 March)			Number of shares held		Cost of investments		Net asset value of investments		Profit/(Loss) for the year		Losses guaran- teed
				R'000		R'000		R'000		R'000		
				2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/24	2023/24	Yes/No
National / Provincial Public entity		-	-	-	-	-	-	-	-	-	-	
Subtotal		-	-	-	-	-	-	-	-	-	-	
Other		-	-	-	-	-	-	-	-	-	-	
Subtotal		-	-	-	-	-	-	-	-	-	-	
		-	-	-	-	-	-	-	-	-	-	
TOTAL		-	-	-	-	-	-	-	-	-	-	

ANNEXURE 2B

STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO ENTITIES (CONTINUED)

Name of entity	Nature of business	Cost of investments		Net Asset value of investments		Amounts owing to entities		Amounts owing by entities	
		R'000		R'000		R'000		R'000	
		2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24
Controlled entities									
		-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
Subtotal		-	-	-	-	-	-	-	-
Non-controlled entities									
		-	-	-	-	-	-	-	-
	Associates								
	Subtotal	-	-	-	-	-	-	-	-
	Joint Ventures								
	Subtotal	-	-	-	-	-	-	-	-
	Other non-controlled entities								
	Subtotal	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
TOTAL		-	-	-	-	-	-	-	-

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 3A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2025 - LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2024	Guarantees drawdowns during the year	Guarantees repayments/ cancelled/ reduced during the year	Revaluation due to foreign currency movements	Closing balance 31 March 2024	Revaluation s due to inflation rate movements	Accrued guaranteed interest for year ended 31 March 2025
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Motor vehicles	-	-	-	-	-	-	-	-
	Subtotal	-	-	-	-	-	-	-	-
	Housing								
	Subtotal	-	-	-	-	-	-	-	-
	Other								
	Subtotal	-	-	-	-	-	-	-	-
	TOTAL	-	-	-	-	-	-	-	-

ANNEXURE 3A (Continued)

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2025 - FOREIGN

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2024	Guarantees drawdowns during the year	Guarantees repayments/ cancelled/ reduced during the year	Revaluation due to foreign currency movements	Closing balance 31 March 2025	Revaluation due to inflation rate movements	Accrued guaranteed interest for year ended 31 March 2025
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Motor vehicles	-	-	-	-	-	-	-	-
	Subtotal	-	-	-	-	-	-	-	-
	Housing	-							
	Subtotal	-	-	-	-	-	-	-	-
	Other								
	Subtotal	-	-	-	-	-	-	-	-
	TOTAL	-	-	-	-	-	-	-	-

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ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2025

Nature of liability	Opening balance 1 April 2024	Liabilities incurred during the year	Liabilities paid / cancelled / reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2025
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Legal claims against the state	2 548		1 005		1 543
Claims for pothole damages	14 236	2 104	2 216		14 124
Subtotal	16 784	2 104	3 221	-	15 667
Environmental liability					-
					-
					-
Subtotal	-	-	-	-	-
Other					-
					-
					-
Subtotal	-	-	-	-	-
TOTAL	16 784	2 104	3 221	-	15 667

ANNEXURE 3B (continued)

Nature of liabilities recoverable	Details of liability and recoverability	Opening balance 1 April 2024	Movement during the year	Closing balance 31 March 2025
		R'000	R'000	R'000
				-
				-
				-
				-
				-
				-
				-
TOTAL	-	-	-	-

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**ANNEXURE 4
CLAIMS RECOVERABLE**

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2024/25 *	
							Receipt date up to six (6) working days after year end	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024	31/03/2025	31/03/2024		Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department					-			
Dept. (CoGHSTA)				57	-	57		
					-	-		
Subtotal	-	-	-	57	-	57	-	-
Other Government Entities					-	-		
Independent Development Trust				30	-	30		
					-	-		
Subtotal	-	-	-	30	-	30		
TOTAL	-	-	-	87	-	87	-	-

ANNEXURE 5
INTERGOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2024/25	
							Payment date up to six (6) working days after year end	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024	31/03/2025	31/03/2024		Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Current								
Department of Health (Limpopo)								
Limpopo Dept. of Transport and community safety	-	-	-	-	-	-	-	-
Dept of Justice and Constitutional Development								
Dept. of Education Limpopo								
Department of Agriculture								
LPG PMG Office of the Premier	-	8	-	-	-	8	-	-
Limpopo Provincial Treasury				94		94		
Department of Social Development	67	-	-	-	67	-	-	-
Department of Economic Development, Environment and Tourism	423	-	-	-	423	-	-	-

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Subtotal	490	8	-	94	490	102	-	-
Non-current								
	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Total Departments	490	8	-	94	490	102	-	-
OTHER GOVERNMENT ENTITIES								
Current								
	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Non-current								
	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Other Government Entities	-	-	-	-	-	-	-	-
TOTAL INTERGOVERNMENT PAYABLES	490	8	-	94	490	102	-	-

An amount of R'67 is payable to the Limpopo Department of Social Development. This relates to salary payments R'40 and associated employee benefits R'27 made by that department to employees who are in the process of being transferred, pending finalisation on the PERSAL system. Additionally, an amount of R'423 relates to a salary claim for an employee seconded from the Limpopo Department of Economic Development, Environment and Tourism.

ANNEXURE 6 INVENTORIES

	Fuel	MATERIAL	Insert major category of inventory	Insert major category of inventory	Total
Inventories for the year ended 31 March 2025	R'000	R'000	R'000	R'000	R'000
Opening balance	6 286	42 595	-	-	48 881
Add/(Less: Adjustments to prior year balances		72			72
Add: Additions/Purchases - Cash	23 247	72 473			95 720
Add: Additions - Non-cash					-
(Less): Disposals		(496)			(496)
(Less): Issues	(25 770)	(81 001)			(106 771)
Add/(Less): Received current, not paid; (Paid current year, received prior year)		30			30
Add/(Less): Adjustments					-
Closing balance	3 763	33 673	-	-	37 436

There is an adjustment of the opening balance relating to material identified during stocktaking amounting to R72. The amount of R496 disposal was done through auction. There is material received current year not paid to the value of R30 due to suppliers' wrong banking details (La Free Pink Butterfly Event Management) disclosed as payables.

The Department has a shortage of Material to the value of R574 (336 from Mopani District and 238 from Waterberg District) which will be investigated.

	FUEL	MATERIAL	Insert major category of inventory	Insert major category of inventory	Total

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Inventories for the year ended 31 March 2024	R'000	R'000	R'000	R'000	R'000
Opening balance	6 410	35 498			41 908
Add/(Less: Adjustments to prior year balances					-
Add: Additions/Purchases - Cash	26 423	74 786			101 209
Add: Additions - Non-cash					-
(Less): Disposals					-
(Less): Issues	(25 792)	(67 183)			(92 975)
Add/(Less): Received current, not paid; (Paid current year, received prior year)	(126)	(506)			(632)
Add/(Less): Adjustments	(629)				(629)
Closing balance	6 286	42 595	-	-	48 881

ANNEXURE 7

MOVEMENT IN CAPITAL WORK IN PROGRESS

Movement in capital work in progress for the year ended 31 March 2025

	Opening balance	Current year capital WIP	Ready for use (Asset Register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
HERITAGE ASSETS	-	-	-	-
Heritage assets				-
MACHINERY AND EQUIPMENT	-	-	-	-
Transport assets				-
Computer equipment				-
Furniture and office equipment				-
Other machinery and equipment				-
SPECIALISED MILITARY ASSETS	-	-	-	-
Specialised military assets				-
BIOLOGICAL ASSETS	-	-	-	-
Biological assets				-
BUILDINGS AND OTHER FIXED STRUCTURES	208 367	149 286	238 996	118 657
Dwellings				-
Non-residential buildings	208 367	149 286	238 996	118 657
Other fixed structures				-
LAND AND SUBSOIL ASSETS	-	-	-	-
Land				-
Mineral and similar non-regenerative resources				-
SOFTWARE	-	-	-	-
Software				-
MASTHEADS AND PUBLISHING TITLES	-	-	-	-
Mastheads and publishing titles				-
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS	-	-	-	-
Patents, licences, copyright, brand names, trademarks				-

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**RECIPES, FORMULAE, PROTOTYPES, DESIGNS,
MODELS**

Recipes, formulae, prototypes, designs, models

- - - -

-

SERVICES AND OPERATING RIGHTS

Services and operating rights

- - - -

-

TOTAL

208 367

149 286

238 996

118 657

A Proof of Correction (POC) journal amounting to R8 was passed to correct a misclassification related to refurbishment. This misclassification caused a difference between the Capital Work in Progress (CWIP) balance of R149,277 in the trial balance and the balance of R149,286 disclosed above.

Included in the Work in Progress (WIP) amount is R64,953 for the revitalization of the Maphutha Malatjie Hospital Outpatient Department (OPD) under project number LDPWRI - B/15004. This project was transferred from the Limpopo Department of Health (LDOH) to the Limpopo Department of Public Works, Roads & Infrastructure (LDPWRI) in February 2023 for final completion. The estimated project budget for completion was accordingly appropriated to LDPWRI. As of December 2024, the asset was ready for use, resulting in a value adjustment of R203,573 on the asset register for Maphutha Malatjie Hospital as disclosed in Annexure 9.

Currently, the asset is accounted for by both LDPWRI and Limpopo Department of Health (LDOH), pending finalisation of the accounting treatment. The two accounting officers are expected to reach an agreement by March 2026, after which the asset will be formally and solely recognised in the appropriate department's books

In the current year, department managed to fund Construction of Ephriam Mogale Cost Centre and appointed the contractor to complete the project that was previously implemented by inhouse manpower. Renovation of 40 Paul Kruger project amounting to R'35 423 has reached completion with final account certificate, ready for use and is recorded as assets to the Assets Register.

Included in the Work in Progress (WIP) amount is R11,307 related to the Letaba Hospital A6 replacement female medical ward, waste store upgrade, and other associated works. These funds were transferred/appropriated from the Department of Health (DoH) for completion by the Department of Public Works, Roads and Infrastructure (DPWRI). The Department of Health incurred expenditure amounting to R98,917 from the initial contract, while the remaining balance of R11,695 was transferred to DPWRI in November 2023. The Department of Health accounted for the majority of the project expenditure. A detailed Capital Work in Progress (CWIP) register is attached. The project is expected to be finalised and removed from CWIP by June 2025.

There is payables amounts relating to progress certificates received but not paid at year end and therefore not included in capital work-in-progress amounting to R'336. For the following one project awarded in the current year and not yet paid:

- There is expenditure that relates to progress certificates of the work done but not paid at year end and therefore not included in capital work-in-progress] of Refurbishment of Giyani Chamber Complex Block F-project R'336.

Movement in capital work in progress for the year ended 31 March 2024

	Opening balance	Prior period error	Current year CWIP	Ready for use (Asset Register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS	-	-	-	-	-
Heritage assets					-
MACHINERY AND EQUIPMENT	-	-	-	-	-
Transport assets					-
Computer equipment					-
Furniture and office equipment					-
Other machinery and equipment					-
SPECIALISED MILITARY ASSETS	-	-	-	-	-
Specialised military assets					-
BIOLOGICAL ASSETS	-	-	-	-	-
Biological assets					-
BUILDINGS AND OTHER FIXED STRUCTURES	71 515	-	136 852	-	208 367
Dwellings	-				-
Non-residential buildings	71 515		136 852		208 367
Other fixed structures	-				-
LAND AND SUBSOIL ASSETS	-	-	-	-	-
Land					-
Mineral and similar non-regenerative resources					-
SOFTWARE	-	-	-	-	-
Software					-
MASTHEADS AND PUBLISHING TITLES	-	-	-	-	-
Mastheads and publishing titles					-
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS	-	-	-	-	-
Patents, licences, copyright, brand names, trademarks					-
RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS	-	-	-	-	

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Recipes, formulae, prototypes, designs, models					-
SERVICES AND OPERATING RIGHTS	-	-	-	-	-
Services and operating rights					-
TOTAL	71 515	-	136 852	-	208 367

ANNEXURE 8A
INTERENTITY ADVANCES PAID (Note 13)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/3/2025	31/03/2024	31/3/2025	31/03/2024	31/3/2025	31/03/2024
	R'000	R'000	R'000	R'000	R'000	R'000
NATIONAL DEPARTMENTS	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
	-	-	-	-	-	-
PROVINCIAL DEPARTMENTS						
Subtotal	-	-	-	-	-	-
	-	-	-	-	-	-
PUBLIC ENTITIES						
Subtotal	-	-	-	-	-	-
	-	-	-	-	-	-
OTHER ENTITIES						

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Subtotal

TOTAL

-	-	-	-	-	-
-	-	-	-	-	-

ANNEXURE 8B

INTERENTITY ADVANCES RECEIVED (Note 21 AND Note 22)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/3/2025	31/03/2024	31/3/2025	31/03/2024	31/3/2025	31/03/2024
	R'000	R'000	R'000	R'000	R'000	R'000
NATIONAL DEPARTMENTS					-	-
Current					-	-
					-	-
					-	-
					-	-
Subtotal	-	-	-	-	-	-
Non-current					-	-
					-	-
					-	-
Subtotal	-	-	-	-	-	-
PROVINCIAL DEPARTMENTS					-	-
Current					-	-
					-	-
					-	-
					-	-
Subtotal	-	-	-	-	-	-
Non-current					-	-
					-	-
					-	-
Subtotal	-	-	-	-	-	-

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PUBLIC ENTITIES						-	-
Current						-	-
						-	-
						-	-
						-	-
Subtotal	-	-	-	-	-	-	-
Non-current						-	-
						-	-
						-	-
Subtotal	-	-	-	-	-	-	-
OTHER ENTITIES						-	-
Current						-	-
						-	-
						-	-
						-	-
Subtotal	-	-	-	-	-	-	-
Non-current						-	-
						-	-
Subtotal	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-
Current						-	-
Non-current						-	-

ANNEXURE 9

ADDITIONAL INFORMATION ON IMMOVABLE ASSETS

In addition to the detail for note 40.4 the department should address the information regarding:

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

		2024/25	2023/24
Immovable capital assets (additional information)			
Unsurveyed land	Estimated completion date	Area	Area
A	30/09/2024		
Properties deemed vested (2828)		Number	Number
Land parcels			
Facilities			
Schools		2 157	1 981
Clinics		70	22
Hospitals		15	2
Office buildings		57	2
Dwellings		-	-
Storage facilities		331	-
Other		198	2
B			
Properties deemed vested (6406)	Duration of use :3	Number	Number
Schools		2 217	2 194
Clinics		804	771
Hospitals		53	52
Office buildings		622	605
Dwellings		9	9
Storage facilities		1	1
Other		2 700	2 641
d Properties deemed vested	Duration of use	Number	Number
Schools		-	-
Clinics		-	-
Hospitals		-	-
Office buildings		-	-
Dwellings		-	-
Storage facilities		-	-
Other		-	-
d Properties deemed vested	Duration of use	Number	Number
Schools		-	-
Clinics		-	-
Hospitals		-	-
Office buildings		-	-
Dwellings		-	-
Storage facilities		-	-
Other		-	-

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Section 42 Transfer Not Registered

There are 16 completed projects transferred from various departments that were constructed on un-registered land amounting to R'102 896 i.e. 10 projects amounting to R'27 859 from Department of Transport and Community Safety and 6 projects amounting to R'75 038 from Department of Sports Arts & Culture. There were 33 schools that were surrendered to LDPWR&I from Department of Education that are not yet registered.

The Maphutha Malatjie Hospital Outpatient Department (OPD), under project number LDPWRI - B/15004, was transferred from the Limpopo Department of Health (LDoH) to the Limpopo Department of Public Works, Roads & Infrastructure (LDPWRI) for final completion. The estimated project budget for completion was accordingly appropriated to LDPWRI. As at December 2024, the asset was ready for use, resulting in a value adjustment of R203,573 on the asset register for Maphutha Malatjie Hospital. Currently, the asset is accounted for by both LDPWRI and LDoH, pending finalisation of the appropriate accounting treatment. An agreement between the two accounting officers is expected to be reached by March 2026.

ANNEXURE 10**DEPARTMENT OF HUMAN SETTLEMENTS HOUSING RELATED EXPENDITURE
CLASSIFICATION**

	Note	2024/25 R'000	2023/24 R'000
Inventories			
<i>List the items for correct expenditure</i>		-	-
		-	-
		-	-
		-	-
Subtotal		-	-
Expenditure for capital assets			
<i>List the items for correct expenditure</i>		-	-
Subtotal		-	-
Transfers and subsidies			
<i>List the items for correct expenditure</i>			
Subtotal		-	-
TOTAL		-	-

Capital commitments

	Note	2024/25 R'000	2023/24 R'000
Buildings and other fixed structures		-	-
Heritage assets		-	-
Machinery and equipment		-	-
Specialised military assets		-	-
Land and subsoil assets		-	-
Biological assets		-	-
Intangible assets		-	-
Total		-	-

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ANNEXURE 11
NATURAL DISASTER OR RELIEF EXPENDITURE
Per quarter and in total

Expenditure per economic classification	2024/25					2023/24
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation of employees	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-
List all applicable SCOA level 4 items	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-
List all applicable SCOA level 4 items	-	-	-	-	-	-
Expenditure for capital assets	-	-	-	-	-	-
List all applicable SCOA level 4 items	-	-	-	-	-	-

Other expenditure not listed above

List all applicable SCOA level 4 items

TOTAL NATURAL DISASTER OR RELIEF EXPENDITURE

-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

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ANNEXURE 12

ANALYSIS OF PREPAYMENTS AND ADVANCES (NOTES 4.2.1 AND 13.1 to 13.4)

Name of Entity	Sect or of the entit y	Descripti on of the item paid for	Classificati on category	Total Contra ct Value	Balance outstandi ng as at 31 March 2024	Total amount prepaid /advanc ed in the current year	Less: goods, service s or capital assets receive d in the current year	Add/Les s: Other	Balance outstandi ng as at 31 March 2025
				R'000	R'000	R'000	R'000	R'000	R'000
Prepayments									
Total prepayments									
Advances									
Total advances									
TOTAL PREPAYMEN TS AND ADVANCES									



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MOPANI DISTRICT
OLD PARLIAMENT BUILDING, GIYANI
(015) 812 0320

SEKHUKHUNE DISTRICT
LEBOWAKGOMO ZONE A
(015) 632 8300

VHEMBE DISTRICT
NEXT TO RALUSWIELO SECONDARY, THOHOYANDOU
(015) 963 4202

WATERBERG DISTRICT
CNR THABO MBEKI AND ELIAS MOTSOLEDI STREET, MODIMOLLE
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