DEPARTMENT OF PUBLIC WORKS AND INFRASTRUCTURE

FREE STATE PROVINCE

VOTE NO. 09

ANNUAL REPORT

2020/2021 FINANCIAL YEAR

CONTENTS

PART A
GENERAL INFORMATION

CONTENTS

1. DEPARTMENT GENERAL INFORMATION

PHYSICAL ADDRESS:	3rd Floor Room 310 OR Tambo House Corner St Andrews and Markgraaf Streets BLOEMFONTEIN
POSTAL ADDRESS:	P.O. Box 7551 BLOEMFONTEIN 9300
TELEPHONE NUMBER/S:	051 492 3909/3787
E-MAIL ADDRESS:	hodoffice@fsworks.gov.za
WEBSITE ADDRESS:	www.publicworks.fs.gov.za

2. LIST OF ABBREVIATIONS/ACRONYMS

AGSA	Auditor-General of South Africa
AR	Annual Report
AO	Accounting Officer
AFS	Annual Financial Statements
AOPO	Audit of Predetermined Objectives
APP	Annual Performance Plan
BAS	Basic Accounting System
B-BBEE	Broad Based Black Economic Empowerment
BPCMEP	Batho Pele Change Management Engagement Programme
C-AMP	Custodian Immovable Asset Management Plan
CCTV	Closed-circuit television
CDP	Contractor Development Programme
CFO	Chief Financial Officer
CIDB	Construction Industry Development Board
CIPC	Companies and Intellectual Property Commission
CLOs	Community Liaison Officers
COE	Compensation of Employees
COGTA	Cooperative Governance and Traditional Affairs
COVID-19	Coronavirus disease of 2019
CUT	Central University of Technology, Free State
CWP	Community Work Programme
DESTEA	Department of Economic, Small Business Development, Tourism and Environmental Affairs
DORA	Division of Revenue Act
DPME	Department of Planning, Monitoring and Evaluation
DPSA	Department of Public Service and Administration
EPWP	Expanded Public Works Programme
EXCO	Executive Council
4IR	Fourth Industrial Revolution
FOHOD	Forum for Heads of Department
FSPG	Free State Provincial Government
FSSI	Free State Sports Institute
FSTDI	Free State Training and Development Institute
FTE	Full Time Equivalents
GDP	Gross Domestic Product
HDI	Historically Disadvantaged Individuals
HOD	Head of Department
HRM	Human Resources Management
IAF	Internal Audit Function
IAR	Immovable Asset Register
ICT	Information and Communication Technology

IDMS	Infrastructure Delivery Management System
IESBA	International Ethics Standards Board for Accountants
IoT	Internet of Things
IPPF	International Professional Practices Framework
ISA	International Standards of Audit
KCM	Key Control Matrix
MCS	Modified Cash Standard
MEC	Member of Executive Council
MoV	Means of verification
MPSA	Minister for the Public Service and Administration
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NCC	Non-Cash Charge
NDP	National Development Plan
NOSA	National Occupational Safety Association
NSG	National School of Government
NYS	National Youth Service
OHS	Occupational Health and Safety
OSD	Occupation Specific Dispensation
PAA	Public Audit Act
PMU	Project Management Unit
PMTEC	Provincial Medium-Term Expenditure Committee
POPIA	Protection of Personal Information Act
PPP	Public Private Partnerships
PROPAC	Portfolio Committee on Public Accounts
PSIRA	Private Security Industry Regulatory Authority
PW&I	Public Works and Infrastructure
REMC	Risk and Ethics Management Committee
SAICA	South African Institute of Chartered Accountants
SAMTRAC	Safety Management Training Course
SAPS	South African Police Services
SAQA	South African Qualifications Authority
SDIP	Service Delivery Improvement Plan
SCM	Supply Chain Management
SITA	State Information Technology Agency
SHERQ	Safety, Health, Environment, Risk and Quality
SLA	Service Level Agreement
SMME	Small, Medium and Micro Enterprises
TRP	Township Revitalisation Programme
U-AMP's	User Immovable Asset Management Plans
VHCT	Virtual Health Care Team
VOIP	Voice over Internet Protocol

3. FOREWORD BY THE MEMBER OF EXECUTIVE COUNCIL

Ms M.A. Koloi
MEC Public Works, Infrastructure & Human Settlement

It is an honour and privilege to table the Annual Report of the Department of Public Works and Infrastructure for the 2020/2021 financial year. This annual report provides a detailed account of our achievements during the year under review, in the implementation of the Departmental Five-Year Strategic Plan for 2020/2025. The Five-Year Strategic Plan has been developed around priorities and strategic pillars, which are set out in the 2020/2025 Medium Term Strategic Framework (MTSF).

We present the Annual Report in a year that we, as a nation and the world are faced by the COVID-19 health emergency which has propelled us into the worst economic crisis since the 1994 democratic breakthrough. Unlike business continuity disruptions that take a form of an event, COVID-19 creates an entirely new operating environment. The pandemic and the resultant lockdown affected our operations and stakeholders. The changing contextual environment will continue to alter our priorities and operating conditions. In this period the Department managed to adapt, respond with speed and refocused all its work to support and respond to the pandemic.

The work of the Department is in line with service delivery objectives and targets as outlined in the Annual Performance Plan (APP) and the appropriated budget to the Department.

Working towards building a capable Department, strategic vacant positions have been filled during the year under review, including the Accounting Officer (AO) and the Chief Financial Officer (CFO). The appointment of the CFO who is a registered chartered accountant with the South African Institute of Chartered Accountants (SAICA) has assisted the Department to achieve a 50% of gender representative at Chief Director level.

The Department is committed to maintaining the highest standards of good governance to manage public finances and resources in compliance with legislation and relevant prescripts. To uphold good governance and accountability the Department has a functional Shared Audit Committee which convenes quarterly to evaluate the performance of the Department and perform an oversight function over the risk and ethics management activities of the Department.

Over the past year we embarked on improving efficiency through deploying technological advancement solutions related to the Fourth Industrial Revolution (4IR). The E-submission solution continued to be implemented towards achieving a paperless work environment. The Internet of things (IoT), implementation of Microsoft Teams (MS Teams) was achieved for virtual meetings. This solution assisted the effective functioning of the Department especially during the COVID-19 National Lockdown, with its various alert levels.

The Department managed to spend a total allocated budget towards the payment of rates and taxes, utilities and rentals. The Department has influenced the setting of tariffs as municipalities did not increase their tariffs in comparison with previous financial years. The tariffs were increased with a much lower percentage. The Department has implemented the Water Saving Project in six (6) hospitals in the Free State. Through this initiative, a total amount of R14.7 million has been saved during the year under review.

The Department has a total number of 66 lease contracts for office accommodation, 39 of which were entered into with the HDIs. This represents 59% of the transformation target, 6 contracts are with Government entities (which translate to 9%) and the remaining 21 contracts with previously advantaged individuals (which translates to 32%).

Although unemployment soared as a result of COVID-19 globally, the Expanded Public Works Programme (EPWP) as the key policy instrument undertaken by government has prevented many vulnerable groups and improverished communities from deep unemployment related-depression. Through the four EPWP community development initiatives, 1 893 work opportunities were created by the Department of which 69% are women, 45% youth and 2% people with disabilities.

The Department, in partnership with SALGA, as the overall EPWP Provincial Coordinator, facilitated the creation of 9 392 work opportunities within the local government sphere. A total of 61 966 work opportunities were created by all spheres of government in the Province. The government-wide reprioritisation of budgets negatively affected the creation of employment due to COVID-19 demanding needs.

Over the past year, we encountered challenges which we will continue to work through, but our number one priority remains, infrastructure delivery and creating more jobs which contributes to growing the economy.

The Covid-19 health emergency has directly impacted on the initial planned targets for the 2020/2021 financial year. These targets and the reduction of allocated budget detrimentally impacted the delivery of social infrastructure and planned ICT projects which were deferred to outer years.

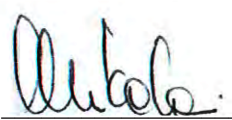
In assisting Municipalities to sustain service delivery, a total amount of R328.474 million for municipal services and R436.235 million for Property Rates were paid, this however is not sufficient to pay all outstanding municipal accounts.

Adding to the provincial revenue base, the Department under collected on revenue. The target was R82.168 million which was adjusted to R54.783 million against which R46.160 million was collected.

The Custodian Immovable Asset Management Plan (C-AMP) is compiled, approved and submitted to Provincial Treasury for budget purposes. Unfortunately, no funding has been received to fully implement the plan which contributes to the backlog in maintaining government owned buildings in the province.

In the year ahead, the Department will continue to support the Provincial Government initiatives in stabilising and implementing the strategic agenda for recovery and re-building from the COVID-19 health emergency.

Finally, the work of the Department is also a reflection of the contributions of various stakeholders and the Department's dedicated staff led by HOD Mohlahlo as well as the support and assistance of the Legislature Portfolio Committee on Infrastructure, Roads, Transport and Human Settlement. I would like to convey my sincere gratitude to each of them.



Ms. M. Koloi

Member of the Executive Council for Public Works, Infrastructure and Human Settlements

31 July 2021

4. REPORT OF THE ACCOUNTING OFFICER

Overview of the operations of the Department:

The financial year under review (2020/2021) has marked the second year of the sixth Administration with specific reference to the outcomes and deliverables outlined in the five year Strategic Plan and Annual Performance Plan. Summary activity outputs of the three programmes, namely Administration, Public Works Infrastructure and Expanded Public Works Programme (EPWP) are reported under each of the programmes. No significant policy shifts were recorded during the year. The Department carried its mandate in the year under review even though faced with the challenge of COVID-19 that reached South Africa in March 2020. As a result of the COVID-19 pandemic we had to readjust our planned targets as the budget allocation had to be reprioritised to focus on this new global challenge.

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

The two key programmes, Public Works Infrastructure which includes Works Design, Construction and Maintenance and Property Management and the EPWP continued to pursue their activities with vigour aiming for a sustainable development path for the Free State. All work was aimed at job creation, Small Medium and Micro Enterprise (SMME) development and social infrastructure construction.

Human Resources Management achieved its three annual performance planned objectives namely: Appointments, Skills Development and Disclosures. Key and as mentioned under Part D, are the appointments of the AO and the CFO coupled with strengthening of the units that contribute to good corporate governance, supply chain management as well as professionals and artisans which are key skills for infrastructure delivery.

The Departmental ICT services continued to perform as part of essential services during the COVID-19 National Lockdown where the following initiatives were implemented for efficient and effective functioning of the Department:

- E-submission system
- MS Teams for virtual meetings
- Departmental WhatsApp group was introduced to intensify internal communication
- Intensified Departmental coverage on official social networks – for coverage of COVID-19 Departmental projects

Despite the outbreak of COVID-19 pandemic, the Department implemented measures aimed at redressing the imbalances of the past and as a result a considerable effort has been made towards the procurement opportunities available to Black Owned Companies (Historically Disadvantaged Individuals - HDIs). Of the 16 infrastructure bids awarded to the value of R162.752 million, 100% was awarded to Black owned companies, of which 4% was awarded to women owned companies and 14% to youth owned companies.

In response to COVID–19 needs, the Department was assigned a responsibility for the provision of isolation / quarantine and shelter -for-homeless sites as accommodation in support of the Department of Health and Social Development. Subsequently, budget was prioritised for maintenance and refurbishment of these isolation / quarantine facilities identified in partnership with the Department of Health and the Department of Economic, Small Business Development, Tourism and Environmental Affairs (DESTEA). During the year under review, the Department completed planned maintenance at Gariep Dam, Koppies Dam, Willem Pretorius, Soetdoring, Sandveld, Seekoeivlei, Sterkfontein, Tussen die Riviere and Phillip Sanders Resorts and Nature Reserves which served as quarantine sites. Furthermore, the Department rendered security services at 16 quarantine and 11 shelters within the Province to respond to COVID-19 protection needs.

Apart from completing maintenance at nine isolation / quarantine facilities, we also managed to complete nine more maintenance projects, three Township Revitalisation Programme in Steynsrus, Odendaalsrus and Botshabelo (Road 2 and 3), as well as the construction of a new primary school in Bohlokong Bethlehem (Rehopotswe Primary School).

The 2nd phase of the Contractor Development Programme (CDP) which encompasses practical training by allocating infrastructure projects to the programme participants was implemented, as a result 17 emerging contractors were placed on projects. The programme is aimed at developing emerging contractors into sustainable construction entities and be able to execute labour intensive projects.

The slow growth in the Free State's economy as well as that of the country at large continues to exert socio-economic pressures which necessitate special interventions from the Provincial Government to support the poor and the unemployed, with a dedicated focus on youth. 166 Young people were employed under National Youth Service Programme. To enhance compliance with COVID-19 Occupational Health and Safety Protocols, 1 583 EPWP participants were trained in skills programmes that included, Environmental Practice, covering OHS aligned with COVID-19. During the implementation of training more caution had to be taken and more venues had to be secured to comply with the COVID-19 regulations, and no incidents were reported.

Due to the Departmental interventions and support initiatives to the local government, most municipalities have improved performance and as a result, an additional R10 million EPWP Incentive Grant allocation has been made available to the top performing municipalities. The Department continues to put mechanisms in place to support EPWP delivery in this sphere so as to enhance the chances of receiving more EPWP grants.

At the Provincial Government level, more focus will be given to key infrastructure departments to optimally create and report the infrastructure sector work opportunities

Significant events and projects

The impact of COVID-19 necessitated that the Department reduce its objectives and budgets thereby impacting on service delivery.

Challenges

The ICT budget cuts that were implemented throughout the Department as part of the COVID-19 budget cuts resulted in the following ICT projects being deferred to outer years; video conferencing, Wi-Fi project, integrated IDMS system, invoice tracking system, and the E-leave system.

Overview of the financial results of the Department:

Departmental receipts

Departmental receipts	2020/2021			2019/2020		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/ Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts	-	-	-	-	-	-
– Casino taxes	-	-	-	-	-	-
– Horse racing taxes	-	-	-	-	-	-
– Liquor licences	-	-	-	-	-	-
– Motor vehicle licences	-	-	-	-	-	-
Sale of goods and services other than capital assets	41 424	36 950	4 474	36 637	36 074	2 563
Transfers received	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-
Interest, dividends and rent on land	20	46	(26)	45	78	(33)
Sale of capital assets	13 223	8 883	4 340	38 728	9 981	28 747
Financial transactions in assets and liabilities	116	281	(165)	186	760	(574)
Total	**54 783**	**46 160**	**8 623**	**77 596**	**46 893**	**30 703**

The over collection of revenue in terms of interest, dividends and rent on land and financial transactions in assets and liabilities are due to more staff debt collected than anticipated as well as the recovery of prior year expenditure.

Free services rendered by the Department:

The Department provided office accommodation to the departments listed below:

Free State Department of Agriculture and Rural Department				
Accommodation Currently Occupied by User State Owned				
No.	**District / Metropolitan**	**Town**	**Street Address**	**Asset Type**
1	Fezile Dabi	Heilbron	80 Steyn Street	Office
2	Fezile Dabi	Koppies	40 Fifth Street	Office
3	Fezile Dabi	Kroonstad	4 Station Street	Office
4	Fezile Dabi	Kroonstad	End of Brand Street	Offices and Vet Laboratory
5	Mangaung	Glen: Admin Building	Toggekregen Road Glen	Head Office
6	Mangaung	Glen: Boiler Room Building	Toggekregen Road Glen	Head Office
7	Mangaung	Glen: Chemistry Building	Toggekregen Road Glen	Head Office
8	Mangaung	Glen: H-block Building	Toggekregen Road Glen	Head Office
9	Mangaung	Glen: House no 1 (College)	Toggekregen Road Glen	Head Office
10	Mangaung	Glen: House no 2 (Farmer Settlement)	Toggekregen Road Glen	Head Office
11	Mangaung	Glen: House no 4 (Economics)	Toggekregen Road Glen	Head Office
12	Mangaung	Glen: House no 5 (Economics)	Toggekregen Road Glen	Head Office
13	Mangaung	Glen: House no 6 (Economics)	Toggekregen Road Glen	Head Office
14	Mangaung	Glen: ICT Building	Toggekregen Road Glen	Head Office
15	Mangaung	Glen: IPJ Complex	Toggekregen Road Glen	Head Office
16	Mangaung	Glen: Main Building	Toggekregen Road Glen	Head Office
17	Mangaung	Glen: Rural Development Building	Toggekregen Road Glen	Head Office
18	Mangaung	Glen: Stone Building (Engineering)	Toggekregen Road Glen	Head Office
19	Mangaung	Glen: Stone Building (Land Care)	Toggekregen Road Glen	Head Office
20	Mangaung	Glen: Verbeek Building	Toggekregen Road Glen	Head Office
21	Mangaung	Glen; House no 3 (Disaster Management)	Toggekregen Road Glen	Head Office
22	Lejweleputswa	Boshoff	Pastorie Street	Office
23	Lejweleputswa	Bultfontein	3 Diamant Street	Office
24	Lejweleputswa	Hoopstad	7 Hoofd Street	Office
25	Lejweleputswa	Odendaalsrus	26 Kalkkuil Avenue & Maree Street	Office
26	Lejweleputswa	Ventersburg	6 Dalia Street	Office
27	Lejweleputswa	Welkom	c/o Long Road & Mullen Streets	District Office
28	Lejweleputswa	Brandfort	37 Duke Street	Office

Free State Department of Agriculture and Rural Department				
Accommodation Currently Occupied by User State Owned				
No.	**District / Metropolitan**	**Town**	**Street Address**	**Asset Type**
29	Mangaung	Bloemfontein	36 A Dan Pienaar Drive	Offices and Vet Laboratory
30	Mangaung	Thaba Nchu	40 Van Riebeck Street	Office
31	Mangaung	Thaba Nchu	23 Neuwelheidsig Street	Offices and Veterinary Clinic
32	Mangaung	Bloemfontein	36A Dan Pienaar Drive	Animal Health Building
33	Mangaung	Tweespruit	Old Traffic Department	Office
34	Thabo Mofutsanyana	Bethlehem	36 Louw Street	Office
35	Thabo Mofutsanyana	Ficksburg	57 Fontein Street	Office
36	Thabo Mofutsanyana	Makeneng	Makeneng Village	Office
37	Thabo Mofutsanyana	Makoane	Makoane Village	Office
38	Thabo Mofutsanyana	Mangaung	Mangaung Village	Office
39	Thabo Mofutsanyana	Memel	12 Voortrekker Street	Office
40	Thabo Mofutsanyana	Monontsha	Monontsha Village	Office
41	Thabo Mofutsanyana	Phuthaditjhaba	Old QwaQwa Government Complex	Veterinary Clinic Veterinary Offices District Offices
42	Thabo Mofutsanyana	Thaba Bosiu	Thaba Bosiu Village	Office
43	Thabo Mofutsanyana	Tseseng	Tseseng Village	Office
44	Thabo Mofutsanyana	Vrede	54 Botha street	Office
45	Thabo Mofutsanyana	Clocolan	3de Laan Oos 36	Office
46	Thabo Mofutsanyana	Kestell	No 27 Botha Street	Office
47	Thabo Mofutsanyana	QwaQwa Training Centre	Phuthaditjhaba	Office
48	Thabo Mofutsanyana	Harrismith	Old Traffic Department, Lindley Street	Office
49	Mangaung	Dewetsdorp	No 2 Brand Street	Office
50	Xhariep	Fauresmith	Veld Reserwe	Office
51	Xhariep	Petrusburg	27 President Street	Office
52	Xhariep	Smithfield	5 Roux Street	Office
53	Xhariep	Gariepdam	Gariep Dam Fish Hatchery	Office
54	Xhariep	Gariepdam	35 Tink Tinkie Street	Office

Free State Department of Agriculture and Rural Department				
Accommodation Currently Occupied by User Leased				
No.	**District / Metropolitan**	**Town**	**Street Address**	**Asset Type**
1	Lejweleputswa	Bothaville	SA Graan Building Van der Lingen Street	Office
2	Thabo Mofutsanyana	Fouriesburg	48 Robertson Street	Office
3	Fezile Dabi	Frankfort	67 Brand Street	Office
4	Thabo Mofutsanyana	Kestell	36 Blighnaut Street 9860	Office
5	Xhariep	Koffiefontein	Municipality Building Groot Trek Street 9986	Office
6	Thabo Mofutsanyana	Lindley	2 Market Street 9630	Office
7	Fezile Dabi	Parys	12 Middel Street	Office
8	Thabo Mofutsanyana	Paul Roux	8 Adam Street 9800	Office
9	Thabo Mofutsanyana	Reitz	22 Sarel Cilliers Street	Office
10	Thabo Mofutsanyana	Senekal	7 Noorder Street	Office
11	Xhariep	Smithfield	House Dou Roux Street 7 9966	Vet clinic
12	Lejweleputswa	Theunissen	27 Le Roux Street	Office
13	Thabo Mofutsanyana	Warden	18 Park Street	Office
14	Xhariep	Reddersburg	5 Van Riebeeck Street	Office
15	Fezile Dabi	Sasolburg	Chris Building 18 NJ V/D Merwe Street	Office
16	Xhariep	Trompsburg	35 Molen Street 9913	Office
17	Mangaung	Thaba Nchu	10 Reitz Street (Bokamoso House)	Office
18	Mangaung	Bloemfontein	Old Sanlam Building 71 Maitland Street	Office

Free State Department of Cooperative Governance and Traditional Affairs				
Accommodation Currently Occupied by User State Owned				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Mangaung	Bloemfontein	OR Tambo Building c/o Markgraaff & St. Andrews Streets	Cooperative Governance and Traditional Affairs & Human Settlements Offices
2	Mangaung	Bloemfontein	MANCOFS 121 Dr Belcher Street	Provincial Disaster Management Centre
3	Xhariep	Trompsburg	25 Fontein Street	Xhariep District Offices
4	Lejweleputswa	Welkom	Kopano Complex, Long Road, Bedelia	Lejweleputswa District Offices
5	Fezile Dabi	Kroonstad	6 Station Street	Fezile Dabi District Offices

Free State Department of Human Settlements				
Accommodation Currently Occupied by User State Owned				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Mangaung	Bloemfontein	c/o St Andrew & Markgraaf Streets	OR Tambo House
2	Thabo Mofutsanyana	QwaQwa	Mampoi Street	FDC Building Naledi Mall
3	Fezile Dabi	Kroonstad	26 Station Street	Fezile Dabi District Office
4	Xhariep	Trompsburg	House no. 25 Fontein Street	Works Offices
5	Lejweleputswa	Welkom	Tempest Street, Welkom	Kopano Complex and Musicon
6	Mangaung	Bloemfontein	Markgraaf Streets	Fidel Castro Building

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

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

Free State Department of Economic, Small Business Development, Tourism and Environmental Affairs				
Accommodation Currently Occupied by User Leased				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Thabo Mofutsanyana	Phuthaditjhaba	31 Blue Street, FDC Building	Offices
2	Mangaung	Bloemfontein	113 St. Andrew Street	Offices
3	Mangaung	Thaba Nchu	208 Ratlou ComplexJ.S Moroka Street	Offices
4	Fezile Dabi	Parys	Shop no 4 & 8, Klipspruit Mall	Offices

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

Free State Department of Education				
Accommodation Currently Occupied by User Leased				
No.	**District / Metropolitan**	**Town**	**Street Address**	**Asset Type**
1	Mangaung	Bloemfontein	c/o Markgraaf and St Andrew Street (Thuto House)	Offices
2	Mangaung	Bloemfontein	Selbourne Avenue, Bloemfontein	Offices
3	Mangaung	Bloemfontein	21 Krause Street, Oranjesig, Bloemfontein	Warehouse
4	Mangaung	Bloemfontein	62 Maitland Street, Central Business Area, Bloemfontein	Offices
5	Mangaung	Bloemfontein	65 Maitland Street, Bloemfontein	Offices
6	Mangaung	Bloemfontein	Aliwal Street, Bloemfontein	Offices
7	Mangaung	Bloemfontein	110 Selbourne Avenue, Bloemfontein	Offices
8	Thabo Mofutsanyana	Reitz	Pres.C.R.Swart Street, Reitz	Offices
9	Mangaung	Thaba Nchu	FDC Building, Selosesha	Offices
10	Lejweleputswa	Welkom	c/o Reinet and Tulbagh Street, Welkom	Offices
11	Lejweleputswa	Welkom	c/o Stateway & Tulbagh Street, Welkom	Offices
12	Mangaung	Bloemfontein	157 St Andrew Street, Bloemfontein	Offices
13	Mangaung	Bloemfontein	St Andrew Street, Bloemfontein	Offices
14	Mangaung	Bloemfontein	Hanger Street, Bloemfontein	Store
15	Mangaung	Bloemfontein	Murry Street (portion of Erf 162)	Offices

Free State Department of Health				
Accommodation Currently Occupied by User State Owned				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Mangaung	Bloemfontein	c/o Charlotte Maxeke and Harvey Streets	Office building
2	Mangaung	Bloemfontein	Kolbe Street, Willows	Office component of training facility
3	Mangaung	Bloemfontein	7th Roth Avenue, Willows	Office building
4	Mangaung	Bloemfontein	St Andrew Street	Office building
5	Mangaung	Bloemfontein	St Andrew Street centre, CBD	Office building
6	Mangaung	Thaba Nchu	J.S. Moroka Hospital	District Hospital, Offices
7	Mangaung	Thaba Nchu	No 2 Station Road	Office building
8	Fezile Dabi	Kroonstad	Hospital Road	Old Hospital converted to: Offices, Accommodation, Vehicle Workshop, Parking GG vehicles, EMS station
9	Fezile Dabi	Sasolburg	17 Fichardt Street	Office building
10	Lejweleputswa	Welkom	Kopano Grounds, Long road	Office Building
11	Thabo Mofutsanyana	Bethlehem	No 2 Station Road	Office Complex
12	Thabo Mofutsanyana	Phuthaditjhaba	Mampoi Street	Office Complex
13	Mangaung	Bloemfontein	Rhodes Ave, Oranjesig	District offices, Free State Psychiatric complex
14	Xhariep	Koffiefontein	100 Jacobsdal Road	Offices
15	Xhariep	Springfontein	Site 480	Offices
16	Xhariep	Trompsburg	Access road from N1	Office building
17	Xhariep	Zastron	1 Reichenberg Street	District Hospital, Offices

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

Free State Department of Police, Roads And Transport				
Accommodation Currently Occupied by User: State Owned				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Thabo Mofutsanyana	Bethlehem	Kestel Road	Civil T/Mofutsanyana
2	Thabo Mofutsanyana	Bethlehem	Kestel Road	Civil Beth Dihlabeng
3	Thabo Mofutsanyana	Bethlehem	Kestel Road	Revenue T/Mofutsanyana
4	Thabo Mofutsanyana	Kestell	Kestel Road	Traffic T/Mofutsanyana
5	Thabo Mofutsanyana	Ficksburg	Van Jaarsveld	Testing Station
6	Thabo Mofutsanyana	Harrismith	Lindley Street	Office
7	Thabo Mofutsanyana	QwaQwa	Industrial area	QwaQwa M/Phofung
8	Thabo Mofutsanyana	QwaQwa	Industrial area	Testing Station
9	Thabo Mofutsanyana	QwaQwa	Industrial area	T/Mofutsanyana Warehouse
10	Xhariep	Bethulie	Industrial area	Xhariep District Centre Revenue
11	Mangaung	Bloemfontein	26 Hartley Street	Roads Infrastructure
12	Mangaung	Bloemfontein	28 Hartley Street	Roads Infrastructure
13	Mangaung	Bloemfontein	5 Hartley Street	Xhariep/Motheo Warehouse
14	Lejweleputswa	Boshoff	Fontein Street	Roads Office
15	Lejweleputswa	Boshoff	5 Fontein Street	Registration Administration office
16	Lejweleputswa	Bothaville	Greyling Street	Roads Office
17	Lejweleputswa	Bothaville	Skoupad	Registration Administration office
18	Lejweleputswa	Bothaville	Road exiting Bothaville	Weighbridge
19	Lejweleputswa	Brandfort	1 Wes Street	Registration Administration office
20	Mangaung	Botshabelo	Industrial Area	Motheo District Centre (DC) Revenue
21	Lejweleputswa	Bultfontein	Industrial Area	Roads Camp
22	Lejweleputswa	Bultfontein	Joubert Street	Registration office
23	Thabo Mofutsanyana	Clocolan	Maluti Street	Traffic Office
24	Lejweleputswa	Dealesville	Market Street	Registration Administration office
25	Mangaung	Dewetsdorp	Stasieweg	Roads Infrastructure
26	Mangaung	Dewetsdorp	Station Street	Motheo DC Revenue
27	Xhariep	Edenburg	Reitz Steyn Street	Xhariep DC Revenue
28	Fezile Dabi	Edenville	R/A Police Station Grounds	Registration and Traffic Offices
29	Thabo Mofutsanyana	Excelsior	Fourie Street	Motheo DC Revenue
30	Xhariep	Fauriesmith	1 Piet Retief Street	Roads Infrastructure
31	Xhariep	Fauriesmith	60 Voortrekker Street	Xhariep DC Revenue

Free State Department of Police, Roads And Transport				
Accommodation Currently Occupied by User: State Owned				
No.	**District / Metropolitan**	**Town**	**Street Address**	**Asset Type**
32	Fezile Dabi	Frankfort	22 Viljoenstreet	Road Office
33	Fezile Dabi	Frankfort	22 Viljoenstreet	Registration and Traffic Offices
34	Fezile Dabi	Heilbron	80 Steilstreet	Road Office
35	Fezile Dabi	Heilbron	80 Steyn Street	Registration and Traffic Offices
36	Lejweleputswa	Hennenman	Voortrekker Street	Welkom Roads Camp
37	Lejweleputswa	Hennenman	12 Hertzog Street	Registration office
38	Lejweleputswa	Hertzogville	Industrial Area	Roads Camp
39	Lejweleputswa	Hertzogville	514 van Niekerk Street	Registration Administration office
40	Lejweleputswa	Hoopstad	Prins George Street, Hoop-stad	Roads Office
41	Lejweleputswa	Hoopstad	Kruger Ave	Registration Administration office
42	Xhariep	Jacobsdal	Hoop Street	Xhariep DC Revenue
43	Xhariep	Koffiefontein	1 Edward Ave	Xhariep DC Revenue
44	Fezile Dabi	Koppies	R/A c/o 1st and Station Street	Registration and Traffic Offices
45	Fezile Dabi	Kroonstad	10th Avenue Industria	Regional Roads Office
46	Fezile Dabi	Kroonstad	10 Avenue Industria	Roads Office
47	Fezile Dabi	Kroonstad	10th Avenue Industria	Area Offices
48	Fezile Dabi	Kroonstad	10th Avenue Industria	Training Centre
49	Fezile Dabi	Kroonstad	10th Avenue Industria	S.P.I Offices
50	Fezile Dabi	Kroonstad	10th Avenue Industrial	Warehouse
51	Fezile Dabi	Kroonstad	10 Orpen Street	Registration and Traffic Offices
52	Fezile Dabi	Kroonstad	Next to Ultra City on N1	Weighbridge
53	Thabo Mofutsanyana	Ladybrand	Voortrekker Street	Roads Infrastructure
54	Thabo Mofutsanyana	Ladybrand	Voortrekker Avenue	Motheo DC Revenue
55	Mangaung	Bloemfontein	301 Church Street	Registration and Traffic Offices
56	Lejweleputswa	Odendaalsrus	Elizabeth Street	Registration office
57	Fezile Dabi	Parys	R/A King Street	Registration and Traffic Offices
58	Xhariep	Petrusburg	1 Barnard Street	Roads Infrastructure
59	Xhariep	Petrusburg	Allen Street	Xhariep DC Revenue
60	Xhariep	Phillippolis	Colesberg Road	Xhariep DC Revenue
61	Xhariep	Reddersburg	Brand Street	Xhariep DC Revenue
62	Xhariep	Rouxville	33 Louw Street	Roads Infrastructure

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

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

Free State Department of Public Works and Infrastructure				
Accommodation Currently Occupied by User: State Owned				
No.	**District / Metropolitan**	**Town**	**Street Address**	**Asset Type**
1	Mangaung	Bloemfontein	c/o St Andrew & Markgraaf Streets	OR Tambo House
2	Mangaung	Bloemfontein	Elizabeth Street	Fidel Castro building
3	Mangaung	Bloemfontein	St Andrew Street	Medfontein
4	Mangaung	Bloemfontein	18 Hartley Street, Hamilton	Hamilton / Old Furniture Factory
5	Mangaung	Bloemfontein	103 Aliwal Street, Arboretum	Strydom House:
6	Fezile Dabi	Kroonstad	63 Orange Street, Kroonstad	Works Offices
7	Fezile Dabi	Kroonstad	22 Botha Street, Kroonstad	Works Offices
8	Lejweleputswa	Welkom	Tempest Street, Welkom	Kopano Hospital, Works Offices
9	Xhariep	Trompsburg	15 Dawid Street, Trompsburg	Security Offices
10	Thabo Mofutsanyana	QwaQwa	1 Mampoi Street	Old Government Building
11	Thabo Mofutsanyana	QwaQwa	Mampoi Street	Works Offices
12	Thabo Mofutsanyana	QwaQwa	Mampoi Street	House Keeping Offices
13	Thabo Mofutsanyana	Bethlehem	4 Johan Blignaut Street	Works Offices
14	Mangaung	Thaba Nchu	Selosesha Unit 1	Thaba Nchu Offices

Free State Department of Public Works and Infrastructure				
Accommodation Currently Occupied By User: Leased				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Mangaung	Bloemfontein	C/O Maitland and East Burger Street	SALGA Building
2	Mangaung	Bloemfontein	Hill Street	ZANA 2 Building
3	Mangaung	Bloemfontein	65 Charlotte Maxeke Street	Syfrets Building
4	Mangaung	Bloemfontein	239 Belcher Road, Bloemside	Lemo Mall

Free State Department of Social Development				
Accommodation Currently Occupied by User: State Owned				
No.	District / Metropolitan	Town	Street Address	Asset Type
1	Fezile Dabi	Frankfort	4741 Seabata Section, Namahadi Township	Sub Offices
2	Fezile Dabi	Kroonstad	20 Cross Street	District Offices
3	Fezile Dabi	Kroonstad	Station Road	37 Parkings
4	Lejweleputswa	Boshoff	13 Wessels Street	Sub Offices
5	Mangaung	Thaba Nchu	830 Poloko Street	Community Centre
6	Mangaung	Bloemfontein	31 Dr. Belcher Street	District Offices
7	Thabo Mofutsanyana	Bethlehem	Johan Blignaut Drive	Sub Offices
8	Thabo Mofutsanyana	Bethlehem	Kestell Road	Sub Offices
9	Thabo Mofutsanyana	QwaQwa	Makoane Youth Centre	Youth Centre
10	Thabo Mofutsanyana	Vrede	Phumelela Municipality	Offices / Containers
11	Thabo Mofutsanyana	Senekal	c/o Boerbok & Kichner Street	Sub Offices
12	Xhariep	Jagersfontein	2nd Avenue Charlesville	Sub Offices
13	Xhariep	Koffiefontein	De Beers Mine 01 Du Preez Avenue	Block B and Block F District Offices
14	Xhariep	Koffiefontein	House No. 44 Gordon Street	Sub Offices
15	Xhariep	Smithfield	50 Voortrekker Street	Sub Offices
16	Mangaung	Thaba Nchu	4701 Poloko Street	Old Age Home
17	Mangaung	Botshabelo	432 Block A- Botshabelo	Old Age Home
18	Thabo Mofutsanyana	QwaQwa	6065 Phatsoane Street	Old Age Home
19	Mangaung	Bloemfontein	Old Railway Hostel	Children's Home
20	Thabo Mofutsanyana	QwaQwa	1809 Mokgethi Street	Children's Home
21	Fezile Dabi	Tweeling	2nd Street	Children's Home
22	Fezile Dabi	Kroonstad	Plot 39 Smaldeel Road	Secure Care Centre

Free State Department of Social Development				
Accommodation Currently Occupied by User: State Owned				
No.	**District / Metropolitan**	**Town**	**Street Address**	**Asset Type**
23	Mangaung	Bloemfontein	28 Drente Road Erlichpark	Secure Care Centre
24	Thabo Mofutsanyana	QwaQwa	Mampoi Street-Phuthaditjhaba	New Secure Care Centre
25	Mangaung	Bloemfontein	28 Drente Road Erlichpark	Child Justice Centre
26	Thabo Mofutsanyana	QwaQwa	Mampoi Road	Child Justice Centre
27	Mangaung	Bloemfontein	03 Roth Street, Willows	Victim Empowerment Centre
28	Thabo Mofutsanyana	QwaQwa	Elizabeth Ross Hospital	Tshepong 2 Victim Empowerment Centre

Free State Department of Social Development				
Accommodation Currently Occupied By User: Leased				
No.	**District / Metropolitan**	**Town**	**Street Address**	**Asset Type**
1	Lejweleputswa	Welkom	High Park Building	Office
2	Mangaung	Botshabelo	FDC Building, Blue Industrial Street	Office
3	Mangaung	Bloemfontein	Elizabeth Street, Civilia Building	Office
4	Mangaung	Bloemfontein	Phetoho Centre, Gate 8 Lovedale Rd, Batho Location, Mangaung	Children Youth Community Centre (CYCC)
5	Thabo Mofutsanyana	Ficksburg	3 Fontein Street	Office
6	Thabo Mofutsanyana	Phuthaditjhaba	c/o Setai St & Motloung Street	Office
7	Xhariep	Rouxville	Piet Retief Street (Town Hall)	Office
8	Xhariep	Bethulie	36 Voortrekker Street	Office
9	Mangaung	Bloemfontein	Standard Bank House West Burger Street	Office
10	Mangaung	Bloemfontein	Standard Bank West Burger Street	Office
11	Mangaung	Thaba Nchu	Ratlou Complex, J.S Moroka	Office
12	Fezile Dabi	Sasolburg	Terra Beleggings Building	Office
13	Fezile Dabi	Parys	C/O Duan and Luyt Streets	Office

Free State Department of Sport, Arts and Culture				
Accommodation Currently Occupied by User: State Owned				
No.	**District / Metropolitan**	**Town**	**Street Address**	**Asset Type**
1	Mangaung	Bloemfontein	116A Church Street	Museum / Offices – Military
2	Mangaung	Bloemfontein	Pres. Brand Street	Museum / Offices – Presidency
3	Xhariep	Bethulie	1 Voortrekker Street Bethulie	Museum / Offices
4	Lejweleputswa	Boshoff	2 Voortrekker Street Boshoff	Museum / Offices - C. Van Niekerk
5	Fezile Dabi	Heilbron	72 Long Market Street Heilbron	Museum / Offices – Riemland
6	Xhariep	Phillipolis	Voortrekker Street	Museum / Offices – Trans Xhariep
7	Xhariep	Smithfield	Douglas Street, Smithfield	Museum / Offices – Caledon River
8	Lejweleputswa	Winburg	Voortrekker Monument	Museum / Offices – Pioneer
9	Mangaung	Glen	Glen College	Museum / Offices – Glen
10	Mangaung	Bloemfontein	Pres. Brand Street	Museum / Offices
11	Lejweleputswa	Welkom	8366 Constantia	Offices
12	Fezile Dabi	Sasolburg	6095 Chris Hani	Offices
13	Mangaung	Bloemfontein	First Avenue	Offices
14	Mangaung	Thaba Nchu	103-104 Market Square	Offices
15	Thabo Mofutsanyane	QwaQwa	QwaQwa	Museum / Offices
16	Mangaung	Bloemfontein	37 Elizabeth Street	Records Center / Repository
17	Mangaung	Bloemfontein	29 Badenhorst Street, Universitas	Repository
18	Lejweleputswa	Allanridge	c/o Caledon & Lauchan Streets	Library
19	Lejweleputswa	Allanridge	Stand 30 Nyakallong	Library
20	Thabo Mofutsanyana	Arlington	813 Arlington	Library
21	Mangaung	Bloemfontein	Boerneef Street, Langenhovenpark	Library
22	Thabo Mofutsanyana	Bethlehem	Pres Boshoff Street	Library
23	Thabo Mofutsanyana	Bethlehem	c/o President Boshoff & Cambridge Streets	Library
24	Xhariep	Bethulie	Joubert Street	Library
25	Xhariep	Bethulie	Jim Fouche Street, Lephoi	Library
26	Mangaung	Bloemfontein	36 Zastron Street	Office & Storage
27	Mangaung	Bloemfontein	145 Benade Avenue, Fichardtpark	Library

Free State Department of Sport, Arts and Culture				
Accommodation Currently Occupied by User: State Owned				
No.	District / Metropolitan	Town	Street Address	Asset Type
28	Mangaung	Bloemfontein	18921 Moshoeshoe Road, MANGAUNG	Library
29	Mangaung	Bloemfontein	Preller Plein	Vacant Site (library not yet built)
30	Lejweleputswa	Boshoff	c/o Sen van Niekerk & Voortrekker Street	Library
31	Lejweleputswa	Bothaville	20 Preller Street	Library
32	Mangaung	Botshabelo	151 BA Hospital Road	Library
33	Mangaung	Botshabelo	Site 2158, Block E	Library
34	Lejweleputswa	Brandfort	Mothupi Street, Majwemaseu	Library
35	Lejweleputswa	Brandfort	78 Voortrekker Street	Library
36	Lejweleputswa	Bultfontein	c/o Market & Bosman Street	Library
37	Lejweleputswa	Bultfontein	Basia Street, Phahameng	Library
38	Thabo Mofutsanyana	Clocolan	Andries Pretorius Street	Library
39	Thabo Mofutsanyana	Clocolan	Hlohlolwane	Library
40	Lejweleputswa	Dealesville	Potlaki St, Tshwaranang	Library
41	Fezile Dabi	Deneysville	Refengkgotso	Library
42	Fezile Dabi	Deneysville	c/o Island & Main Street	Library
43	Mangaung	Dewetsdorp	Brand Street	Library
44	Mangaung	Dewetsdorp	Morojaneng Street	Library
45	Xhariep	Edenburg	16 Church Street	Library
46	Fezile Dabi	Edenville	Ngwathe Township	Library
47	Thabo Mofutsanyana	Excelsior	39 Kommissie Street	Library
48	Thabo Mofutsanyana	Excelsior	Mponeng Street, Mahlaswetsa	Library
49	Xhariep	Fauresmith	7 East Burger Street	Library
50	Thabo Mofutsanyana	Ficksburg	c/o Troon & Voortrekker Street	Library
51	Thabo Mofutsanyana	Ficksburg	1191 Zone 2, Meqheleng	Library
52	Thabo Mofutsanyana	Fouriesburg	Stand 46, Mashaeng	Library
53	Fezile Dabi	Frankfort	c/o Brand & Nieuw Street	Library
54	Fezile Dabi	Frankfort	1212 Namahadi St, Namahadi	Library
55	Xhariep	Gariep	11 Patrys Street	Library
56	Xhariep	Gariep	17 Hydropark	Library
57	Thabo Mofutsanyana	Harrismith	62 Warden Street	Library
58	Thabo Mofutsanyana	Harrismith	2227 Ntshingila Drive, Intabazwe	Library

Free State Department of Sport, Arts and Culture				
Accommodation Currently Occupied by User: State Owned				
No.	**District / Metropolitan**	**Town**	**Street Address**	**Asset Type**
59	Fezile Dabi	Heilbron	c/o Pierce & Voortrekker	Library
60	Fezile Dabi	Heilbron	Konape St, Phiritona	Library
61	Lejweleputswa	Hennenman	c/o Kerk & Isabella Street	Library
62	Lejweleputswa	Hennenman	1123 Molefi Street, Phomolong	Library
63	Lejweleputswa	Hertzogville	Pretorius Street	Library
64	Thabo Mofutsanyana	Hobhouse	Site 524 Dipalaneng	Library
65	Lejweleputswa	Hoopstad	Buiten Street	Library
66	Lejweleputswa	Hoopstad	540 M M Masiu St, Tikwana	Library
67	Xhariep	Jacobsdal	Ratanang	Library
68	Xhariep	Jagersfontein	c/o Kerr & Central street	Library
69	Xhariep	Jagersfontein	Seekoei Street, Itumeleng	Library
70	Thabo Mofutsanyana	Kestell	Blignaut Street	Library
71	Xhariep	Koffiefontein	29 Groot Trek Street	Library
72	Xhariep	Koffiefontein	Boitumelong Street, Dithlake	Library
73	Fezile Dabi	Koppies	Dirkie Uys Street	Library
74	Fezile Dabi	Koppies	1284 New Location, Kwakwatsi	Library
75	Fezile Dabi	Kroonstad	c/o Steyn and Hill Street	Library
76	Fezile Dabi	Kroonstad	Hennie Ludick Street, Maokeng	Library
77	Fezile Dabi	Kroonstad	c/o Koekoe & Louw Streets, Maokeng	Library
78	Thabo Mofutsanyana	Ladybrand	c/o Joubert & Voortrekker Street	Library
79	Thabo Mofutsanyana	Ladybrand	Matlele Drive, Manyatseng	Library
80	Thabo Mofutsanyana	Lindley	16 A Kerk Street	Library
81	Thabo Mofutsanyana	Lindley	914 Sisula Park, Ntha	Library
82	Xhariep	Luckhoff	Site 121, Relebohile	Library
83	Thabo Mofutsanyana	Mamafubedu	Potgieter Street, Mamafubedu	Library
84	Thabo Mofutsanyana	Marquard	President Swart Plein/ Unie St	Library
85	Thabo Mofutsanyana	Marquard	846 Moemaneng	Library
86	Thabo Mofutsanyana	Memel	Site 461/1	Library
87	Lejweleputswa	Odendaalsrus	c/o Kerk & Steyn Street	Library
88	Lejweleputswa	Odendaalsrus	Pompey Street Kutlwanong	Library
89	Fezile Dabi	Oranjeville	Site 1113, Oranjeville Ext 1	Library

Free State Department of Sport, Arts and Culture				
Accommodation Currently Occupied by User: State Owned				
No.	**District / Metropolitan**	**Town**	**Street Address**	**Asset Type**
90	Fezile Dabi	Parys	c/o Philip & Schilbach Street	Library
91	Fezile Dabi	Parys	13 Alan Street	Library
92	Fezile Dabi	Parys	c/o 3rd Avenue & 5th Street, Schonkenville	Library
93	Thabo Mofutsanyana	Paul Roux	Site 416, Fateng Tse Ntsho	Library
94	Xhariep	Petrusburg	29 Oos Street	Library
95	Xhariep	Petrusburg	Site 1756, Bolakanang	Library
96	Xhariep	Philippollis	Voortrekker Street	Library
97	Thabo Mofutsanyana	Phuthaditjhaba	Mampoi Street (next to Community Hall)	Library
98	Xhariep	Reddersburg	27 Andries Pretorius Street	Library
99	Thabo Mofutsanyana	Reitz	Sarel Cilliers Street	Library
100	Thabo Mofutsanyana	Reitz	449 Shop St, Petsana	Library
101	Xhariep	Rouxville	c/o Piet Retief & Roux Street	Library
102	Xhariep	Rouxville	Posholi Street, Roleleathunya	Library
103	Fezile Dabi	Sasolburg	John Vorster Avenue	Library
105	Mangaung	Selosesha	96 Station Street	Library
106	Thabo Mofutsanyana	Senekal	Van Riebeck Street	Library
107	Thabo Mofutsanyana	Senekal	John Stone Street, Matwabeng	Library
108	Xhariep	Smithfield	c/o Genl. Hertzog & Brand Street	Library
109	Xhariep	Smithfield	118 Burcher Street	Library
110	Mangaung	Soutpan	Ikgomotseng Street	Library
111	Xhariep	Springfontein	24 Christian Strauss Street	Library
112	Fezile Dabi	Steynsrus	Matlwangtlwang Street	Library
113	Lejweleputswa	Theunissen	c/o Pienaar & Kerk Street	Library
114	Lejweleputswa	Theunissen	Joel Park, Masilo	Library
115	Xhariep	Trompsburg	c/o 78 Voortrekker & David Street	Library
116	Thabo Mofutsanyana	Tsiame	Tsiame	Library
117	Fezile Dabi	Tweeling	5 Tenth Street	Library
118	Thabo Mofutsanyana	Tweespruit	5 Peper Street	Library
119	Lejweleputswa	Ventersburg	c/o Voortekker & Vanandel Street	Library
120	Lejweleputswa	Ventersburg	Extension Voortekker Street, Mmamahabane	Library

Free State Department of Sport, Arts and Culture				
Accommodation Currently Occupied by User: State Owned				
No.	**District / Metropolitan**	**Town**	**Street Address**	**Asset Type**
121	Lejweleputswa	Verkeerdevlei	Site 23, Tshepong	Library
122	Fezile Dabi	Viljoenskroon	c/o Engelbrecht and Mahen Street	Library
123	Fezile Dabi	Viljoenskroon	Rammolotsi	Library
124	Fezile Dabi	Villiers	23A Main Street (Hoof Street	Library
125	Fezile Dabi	Villiers	Mofokeng St, Qalabotjha	Library
126	Lejweleputswa	Virginia	Virginia Gardens	Library
127	Lejweleputswa	Virginia	Meloding Street, Meloding	Library
128	Thabo Mofutsanyana	Vrede	47 Kuhn Street	Library
129	Thabo Mofutsanyana	Vrede	1463 Kalifman Street, Thembalihle	Library
130	Fezile Dabi	Vredefort	c/o Slabbert and Meerholz Street	Library
131	Thabo Mofutsanyana	Warden	8 Agste Street	Library
132	Thabo Mofutsanyana	Warden	Main Street, Ezenzeleni	Library
133	Lejweleputswa	Welkom	5 Tulbach Street	Library
134	Lejweleputswa	Welkom	15589c/o Mike Chaotsane & Buick Tshabalala Street, Motse-Thabong	Offices & stores
135	Lejweleputswa	Welkom	Kopano Complex, Long Street, Welkom	Library
136	Mangaung	Wepener	De Wet Street	Library
137	Mangaung	Wepener	Minnaar Street	Library
138	Lejweleputswa	Wesselsbron	Erwee Street	Library
139	Lejweleputswa	Wesselsbron	2353 Motloenya Street, Monyakeng	Library
140	Xhariep	Jacobsdal	Jacobsdal	Library
141	Xhariep	Luckhoff	Luckhoff	Library
142	Xhariep	Gariepdam	Gariep	Library
143	Xhariep	Hydropark	Hydropark	Library
144	Fezile Dabi	Sasolburg	10 Corner Klasie Havenga & Meads Street	House
145	Fezile Dabi	Frankfort	1213 Municipal Offices, Namahadi	Library
146	Lejweleputswa	Welkom	64 Bok Street Golden Heights	Library
147	Xhariep	Trompsburg	55 Voortrekker Street	Library
148	Thabo Mofutsanyana	Bethlehem	10 Kerk Street	Library
149	Mangaung	Bloemfontein	4 President Brand Street, Orangesig, Bfn	Museum/ Offices

Free State Department of Sport, Arts and Culture				
Accommodation Currently Occupied by User: State Owned				
No.	**District / Metropolitan**	**Town**	**Street Address**	**Asset Type**
150	Fezile Dabi	Sasolburg	c/o President Steyn/William Stow Sasolburg 1947	Library
151	Thabo Mofutsanyana	QwaQwa	Portion 123 of Farm 1926 Charles Mopeli Stadium Moto Street 9868 Charles Mopeli Stadium	Library
152	Lejweleputswa	Welkom	21263 Nkoane Road, Kopanong Indoor Sport Centre, Thabong, Welkom	Sports Centre

Free State Department of Sports, Arts and Culture				
Accommodation Currently Occupied By User: Leased				
No.	**District / Metropolitan**	**Town**	**Street Address**	**Asset Type**
1	Mangaung	Bloemfontein	c/o East Burger & Hendry Street	Offices / Miscellaneous
2	Mangaung	Bloemfontein	Henry Street	Offices / Miscellaneous
3	Fezile Dabi	Kroonstad	Brand Street, Kroonstad	Offices / Miscellaneous
4	Lejweleputswa	Welkom	64 Bok Street, Golden Heights	Offices / Miscellaneous

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

Free State Department of Premier				
Accommodation Currently Occupied By User: Leased				
No.	**District / Metropolitan**	**Town**	**Street Address**	**Asset Type**
1	Mangaung	Bloemfontein	124 Nelson Mandela Drive	Brahman Building
2	Mangaung	Botshabelo	1230 E Section 9781	Multifunctional Centre
3	Lejweleputswa	Welkom	Boitumelo Junction	Multipurpose Centre

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

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

Programme Expenditure

Programme Name	2020/2021			2019/2020		
	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	121 404	121 221	183	124 339	124 154	185
Public Works Infrastructure	1 472 579	1 470 143	2 436	1 506 200	1 503 337	2 863
Expanded Public Works Programme	64 677	64 413	264	172 300	171 977	323
TOTAL	**1 658 660**	**1 655 777**	**2 883**	**1 802 839**	**1 799 468**	**3 371**

The Department spent 99.8% of the allocated budget. There are no material variances between the final appropriation and the actual expenditure incurred.

Virements/roll overs

The Department requested a roll-over of R1.159 million from Provincial Treasury, however the roll-over was not approved. Virements from Programme 1 (R1.403 million) and Programme 3 (R2.157 million) to Programme 2 (R3.560 million) were approved during the financial year. These virements were mainly to address budget shortfalls experienced regarding municipal accounts.

Reasons for unauthorised or fruitless and wasteful expenditure

The Department did not incur any unauthorised or fruitless and wasteful expenditure during the 2020/2021 financial year.

- **The strategic focus over the short to medium term period**

In keeping up with current trends, the department intends to become part of the Fourth Industrial Revolution (4IR) by working towards the achievement of the following projects over the medium term period (3 years);

- Workplace automation - Record digitization, drone technology implementation
- Paperless work environment - E-leave, e-trip authority
- A cable free network environment - Wi-Fi
- Internet of things (IoT) - Video conferencing in strategic boardrooms
- Effective Information systems - Integrated IDMS system

- **Public Private Partnerships**

The Department did not have any active or existing Public Private Partnerships (PPPs) for the 2020/2021 financial year. However, a number of buildings that could attract PPP's over the next five years have been identified.

- **Discontinued key activities / activities to be discontinued**

The Department did not discontinue any of its activities during the 2020/2021 financial year.

- **New or proposed key activities**

The Department intends to become part of the Fourth Industrial Revolution (4IR).

Over the years the Provincial Government has been focusing on the creation of new assets. In the 2021/2022 MTEF, the Department will be focusing on renewal of assets that includes both major refurbishment and periodic maintenance.

Supply Chain Management (SCM)

Unsolicited bid proposals

There were no unsolicited bid proposals for the 2020/2021 financial year.

SCM processes and systems in place to prevent irregular expenditure

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

Challenges experienced in SCM and how they were resolved

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

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

The Department did not donate any goods or services in kind during the financial year. The Department received Personal Protective Equipment (PPE) from Provincial Treasury to prevent the spread of COVID-19.

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

The Department did not receive any exemptions or deviations from National Treasury relating to the 2020/2021 financial year.

- **Events after the reporting date**

The Department is not aware of any adjustment events after the reporting date for the 2020/2021 financial year.

- **Other material fact or circumstances not addressed in the Annual Report**

None

Acknowledgement/s or Appreciation

I wish to take this opportunity to acknowledge the support of the Member of the Executive Council, Me Koloi, all staff members of the Department for their commitment and dedication and lastly members of the Shared Audit Committee for their professionalism and advisory role that they continue to play.

Conclusion

The Department continues to improve its systems to ensure operational efficiencies and effectiveness and instilling a culture of accountability amongst the staff members.

Mr M.E. Mohlahlo

Accounting Officer

Department of Public Works and Infrastructure

31 July 2021

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

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

All information and amounts disclosed throughout the annual report are consistent.

The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

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

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

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

The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the Department for the financial year ended 31 March 2021.

Yours faithfully

Accounting Officer

Mr M.E. Mohlahlo

31 July 2021

6. STRATEGIC OVERVIEW

6.1 Vision

A prosperous Free State through facilitation of sustainable built infrastructure.

6.2 Mission

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

6.3 Values

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

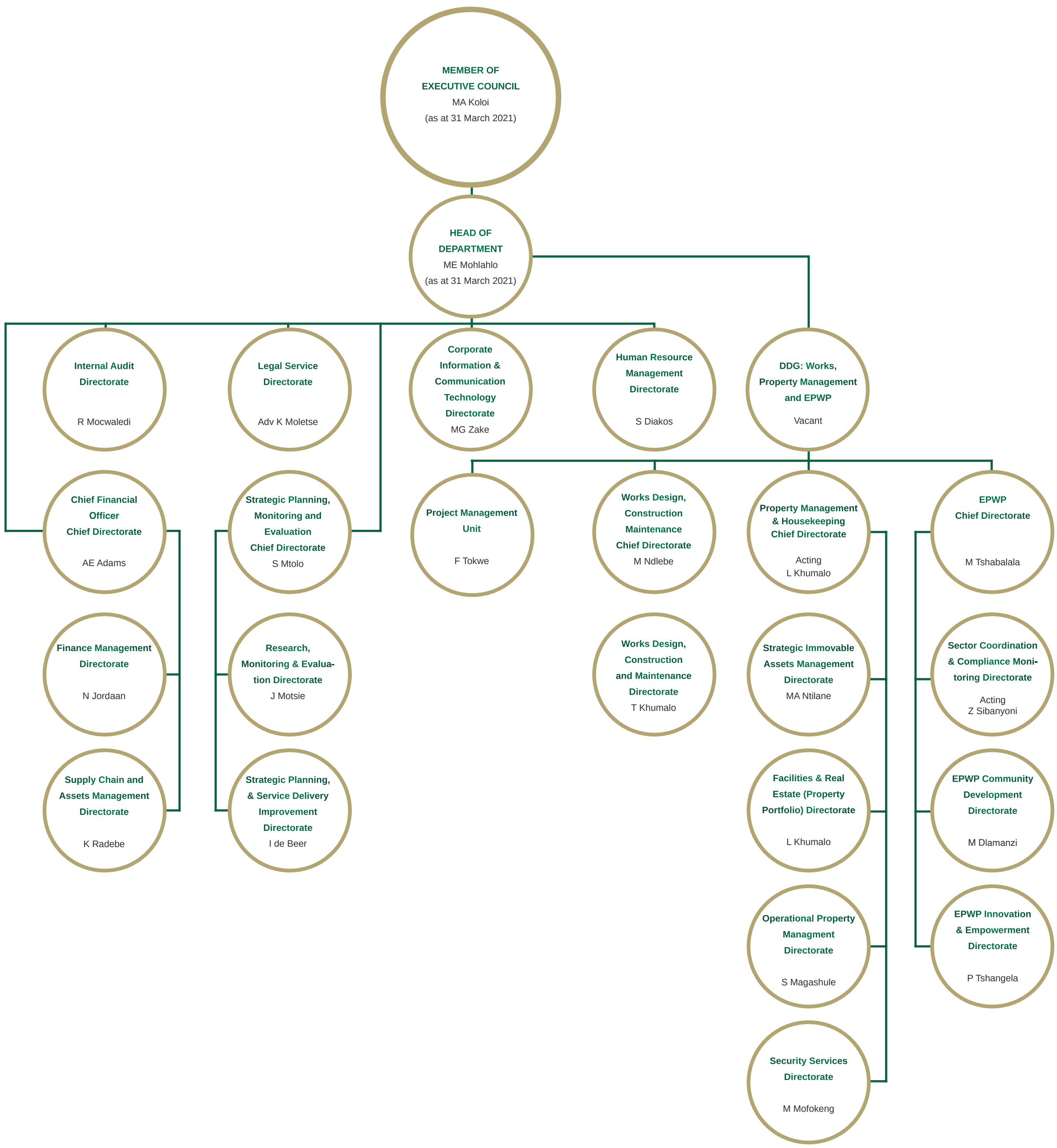
Core Values	Description
Commitment	Deliver quality services within available resources.
People-Centred	Putting “People First” will be our priority aimed at improving service delivery to citizens.
Teamwork	We will collaborate as a team and together assist with the realisation of government priorities.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

7. LEGISLATIVE AND OTHER MANDATES

- Constitution of the Republic of South Africa, 1996
- Public Finance Management Act, 1999 (Act No. 1 of 1999) as amended by Public Finance Management Amendment Act, 1999 (Act No. 29 of 1999) and the related Treasury Regulations
- Public Service Act,1994 (as amended)
- Public Service Regulations, 2016
- Public Administration Management Act (Act 11 of 2014)
- Annual Division of Revenue Act
- Promotion of Access to Information Act, 2000 (Act No. 2 of 2000)
- Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000)
- Protection of Personal Information Act, 2013(Act No. 4 of 2013)
- Skills Development Act, 2003 (Act No. 31 of 2003)
- Local Government Demarcation Act, 1998 (Act No. 27 of 1998)
- Local Government Municipal Structures Act, 1998 (Act No. 117 of 1998)
- Occupational Health and Safety Act, 1993 (Act No. 85 of 1983)
- Free State Land Administration Act, 1998 (Act No. 1 of 1998)
- Construction Industry Development Board (CIDB) Act, 2000 (Act No. 38 of 2000)
- Compensation for Occupational Injuries and Disease Act, 1993 (Act No. 130 of 1993)
- Preferential Procurement Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000)
- Broad Based Black Economic Empowerment Act 2003, (Act No. 53 of 2003)
- State Information Technology Agency (Act No. 88 of 1998)
- The Expropriation Act, 1975 (Act No. 68 of 1975)
- The Mineral Act, 1991 (Act No. 50 of 1991)
- The National Veld and Forest Fire Act, 1998 (Act No. 101 of 1998)
- Policy document on the Statutory Regulation of the Built Environment Professionals, 1999
- White Paper: Public Works towards the 21st Century, 1997
- Control of Access to Public Premises and Vehicles Act, 1985 (Act No. 53 of 1985)
- Government Immovable Asset Management Act, 2007 (Act No. 19 of 2007)
- Ministerial Determination 4: Expanded Public Works Programme, No. 35310 Gazetted 4 May 2012;
- Code of Good Practice for employment and conditions of work for Expanded Public Works Programme, No. 34032, Gazetted 18 February 2011;

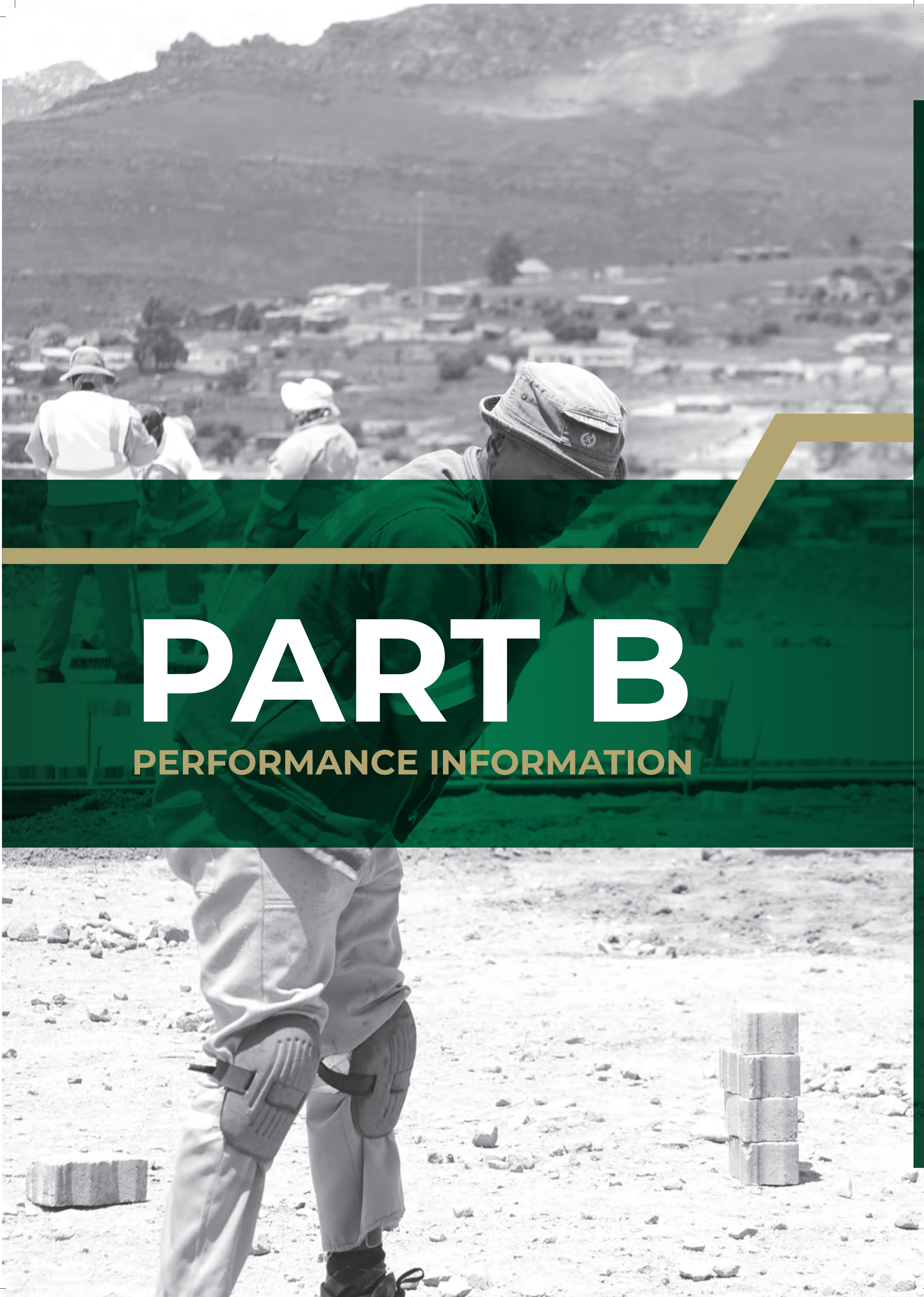
8. ORGANISATIONAL STRUCTURE

8.1 ORGANISATIONAL STRUCTURE AT MACRO LEVEL



9. ENTITIES REPORTING TO THE MEMBER OF THE EXECUTIVE COUNCIL

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



PART B

PERFORMANCE INFORMATION

CONTENTS

1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

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

Refer to page 144 of the Report of the Auditor-General published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

The internal job creation interventions implemented by the Department include; Cash for Waste, Community Work Programme, Cleaning & Greening, Township Revitalization Programme, National Youth Service Programme and Contractor Development Programme.

During the 2020/2021 financial year the Department demonstrated commitment and dedication by over achieving its target of 1 690 work opportunities and created 1 893 by end of March 2021 through internal job creation interventions.

Over and above the internal creation of work opportunities, the department successfully facilitated reporting of 61 966 work opportunities in the province across all spheres of government.

For the first time in six years, all municipalities in the Free State have implemented EPWP in the Province. This is as a result of the collaboration between the Department and SALGA to unlock EPWP opportunities. Monitoring implementation of EPWP Protocol agreements by municipalities will be strengthened.

2.2 Service Delivery Improvement Plan

The Service Delivery Improvement Plan and the achievements that have been realised as at March 2021 are highlighted in the table below:

The tables below reflect the components of the SDIP as well as progress made in the implementation of the plan as at March.

Main services and standards

<table>
<tr><th>Main services</th><th>Beneficiaries</th><th>Current/actual standard of service</th><th>Desired standard of service</th><th>Actual achievement</th></tr>
<tr><td rowspan="5">Provision of Security Services in Free State Provincial Government Departments</td><td rowspan="5">Political Office Bearers

Free State Provincial Government Departments

Citizens/Public

Officials</td><td><table><tr><td colspan="5">Security breaches were reported with a steady decline from 2013. It is shown as follows:</td></tr><tr><th>2016/ 2017</th><th>2017 /2018</th><th>2018/ 2019</th><th>2019/ 2020</th><th>2020/ 2021</th></tr><tr><td>16</td><td>16</td><td>22</td><td>9</td><td>7</td></tr><tr><td colspan="5">Fraud, theft and compliance issues are referred to collectively as security breaches.</td></tr></table></td><td>10% reduction in security breaches reported.</td><td>A total of seven (7) cases were reported for 2020/2021 which were mostly break-ins and theft.</td></tr>
<tr><td>Quality</td><td></td><td></td></tr>
<tr><td>Professional standards</td><td>Leadership training for line managers and security supervisors.

Purposeful conversations.</td><td>Purposeful conversations when security points are visited.</td></tr>
<tr><td rowspan="2">PSIRA registration, OHSA and MISS</td><td>Purposeful conversations.

Limited training budget. Only budget for training material.</td><td>No security related training was conducted for the financial year 2020/2021 due to COVID-19.</td></tr>
<tr><td>Interventions for uniform as training is not allowed by NARYSEC and SAPS without uniform as a PSIRA requirement.</td><td>The uniform tender was advertised by SCM during March 2021.</td></tr>
</table>

<table>
<tr><th>Main services</th><th>Beneficiaries</th><th>Current/actual standard of service</th><th>Desired standard of service</th><th>Actual achievement</th></tr>
<tr><td rowspan="7">Provision of Security Services in Free State Provincial Government Departments</td><td rowspan="7">Political Office Bearers

Free State Provincial Government Departments

Citizens/Public

Officials</td><td>QUALITY</td><td></td><td></td></tr>
<tr><td><u>Legal standards</u>:</td><td>Continuous training on code of conduct.</td><td>The code of conduct training is arranged and conducted by the Human Resource Management Directorate as well as FSTDI Free State Training and Development Institute (FSTDI).</td></tr>
<tr><td>Lack of official uniform

(PSIRA compliance)</td><td>Security uniform.</td><td>The uniform tender was advertised by SCM during March 2021.</td></tr>
<tr><td>Security Parades</td><td>Security Parades</td><td>Morning parades are still being held and posting of security is done on parade.</td></tr>
<tr><td>Security Patrols</td><td>Security Patrols</td><td>Patrols at building and sites are conducted on intervals especially after hours.</td></tr>
<tr><td><u>Access control: Citizens</u>

ID/passport/drivers licence After Hours registers.</td><td>Develop maintenance plan for boom gates in conjunction with Works.</td><td>Electronic security tender included the boom gates and the process is with SCM.</td></tr>
<tr><td>Floor patrols in all corridors

Patrols in and around guarded buildings</td><td>Floor patrols in all corridors

Introduce physical fitness.</td><td>Patrols at building and sites are conducted on intervals especially after hours.</td></tr>
<tr><td></td><td></td><td colspan="3">Batho Pele Principles: Consultation</td></tr>
<tr><td></td><td></td><td><table><tr><td>HR</td><td>Recruitments</td></tr><tr><td>Finance</td><td>Budget</td></tr><tr><td>SCM</td><td>Procurement</td></tr><tr><td>Risk Management</td><td>Implementation of SDIP</td></tr><tr><td>Suggestion boxes</td><td>Officials</td></tr></table>
Consultations with the following directorates:</td><td>Complaints and compliments box/ books.</td><td>Complaints are being received telephonically most of the time or in person.

The existing boxes are not utilised by service recipients as expected and as a result there are no complaint nor compliments received through that process.</td></tr>
</table>

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
		Batho Pele Principles: Access		
Provision of Security Services in Free State Provincial Government Departments	Political Office Bearers Free State Provincial Government Departments Citizens/Public Officials	Access within 3-5 minutes	Access within 3-7 minutes (screening process takes longer)	The COVID-19 screening tool extended the access turn-around times.
		Fill in visitors register	Visitors register	The COVID-19 register and screening tools are currently used as visitors' registers
			Request ICT to prioritise VOIP.	Request made to ICT directorate to install VOIP Phones at all security points. The department is waiting for SITA to do the installation.
		Security calls to confirm host. [VOIP new telephone system not at security points].	Security appraisals e.g. modified offices closes access and exit routes.	The affected departments have been made aware of the closed exit routes.
		No approved standardised key policy	Consultation with client departments at Forum for Heads of Department (FOHOD) level discussing the approval of a standardised key policy	The Departmental key policy was approved by the HOD.

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Provision of Security Services in Free State Provincial Government Departments	Political Office Bearers Free State Provincial Government Departments Citizens/Public Officials	**Batho Pele Principles: Redress**		
		A complaints management procedure is in place.	A complaints management procedure is in place.	Names and contact numbers of managers are posted on the entrances for easy contact when there are complaints
		Batho Pele Principles: Courtesy:		
		Greet	Greet	Clients are being greeted at security points before being helped. This includes at the entrance and gates.
		Allow access if satisfied with identification.	Allow access if satisfied with identification	Access cards and ID are used as a form of identification.
		Assist with directions where needed.	Assist with directions where needed.	Security officers at access points do provide directions where needed.
		Strive towards customer oriented services	Zero % complaints on security official's attitudes/ behaviour.	Complaints are being investigated and handled as they come.
		Limited use of cell phones to emergency calls.		The use of cell phones at security points by security officers are being minimized.
		Batho Pele Principles: Openness & Transparency		
		Visible security points	Visible security points	Security points are at all entrances and are visible.
		Vacant posts are advertised	Vacant posts are advertised	100% of entry level and Senior Security posts were filled during the year under review. Chief Security Officer's posts were advertised and closed. They are due for interviews and filling in 2021/2022 financial year.
		Security tenders are advertised and bids opened in the presence of all interested parties. (Security systems, radios, private security) gets advertised.	Security tenders are advertised and bids opened in the presence of all interested parties. (Security systems, radios, private security) gets advertised	The following security tenders were advertised and others due for advert: •Uniform Tender •Electronic Security Tender

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Provision of Security Services in Free State Provincial Government Departments	Political Office Bearers Free State Provincial Government Departments Citizens/Public Officials	**Batho Pele Principles: Information**		
		Service Charter with Security Service. Standards displayed at entrances of buildings.	Daily monitoring and supervision of security points.	Security points are monitored and supervised by shift leaders.
		OHSA information upon evacuation and evaluation. • Review	Increase monitoring to at least two times a day to all security points.	Security points are visited at least two (2) times a day by supervisors.
		Notices on walls with regards to applying security measures.	Refresher courses of Security Skills programmes.	No refresher courses were conducted during 2020/2021.
		Interventions below will address attitude problems.		Training on Batho Pele and Change Management are arranged and conducted by the HRM through the FSTDI.
		Batho Pele Principles: Value for money		
		Security Skills programmes (1-3) provided to officials.	Securing taxpay-ers with safe and friendly access.	Training was not conducted during 2020/21 financial year.
		Leadership courses to equip security officials.	Electronic security systems at 70% prestige houses.	Prestige issues are on a need to know basis
		Securing taxpayers with safe and friendly access.	Training of res-idents of MPL houses.	Prestige issues are on a need to know basis
		Increased satisfaction levels.	Increased satisfac-tion levels.	Purposeful conversations are ongoing
		Reduced access waiting times	Reduced access Waiting times	The standard waiting time for proper access control is between 3 to 7 minutes extended by COVID-19 measures

<table>
<tr><th>Main services</th><th>Beneficiaries</th><th>Current/actual standard of service</th><th>Desired standard of service</th><th>Actual achievement</th></tr>
<tr><td rowspan="8">Provision of Security Services in Free State Provincial Government Departments</td><td rowspan="8">Political Office Bearers

Free State Provincial Government Departments

Citizens/Public

Officials</td><td colspan="3">Human Resources</td></tr>
<tr><td>The Security Services Directorate consist of 446 officials currently.</td><td>Discuss ratio supervisor to operational security officials with Human Resources.</td><td>With the advertised posts of Chief Security Officers & the Appointed Senior Security Officers the ratio will balance.</td></tr>
<tr><td colspan="3">Cost</td></tr>
<tr><td rowspan="5"><table>
<tr><th>Post</th><th>Level</th><th>Salary Scale</th></tr>
<tr><td>Learners(184)</td><td>Stipend 4 000</td><td>48 000</td></tr>
<tr><td>Deputy Director post(1)</td><td>11</td><td>733 257</td></tr>
<tr><td>CSO(3)Training</td><td>7</td><td>257 508</td></tr>
<tr><td>CSO (2)</td><td>7</td><td>257 508</td></tr>
<tr><td>SSO(9)0</td><td>5</td><td>173 703</td></tr>
<tr><td colspan="2">TOTAL</td><td>1 469 976</td></tr>
</table></td><td rowspan="5"></td><td>During February 2021 all Security Contract Workers that qualified became permanent security officials</td></tr>
<tr><td>One (1) Deputy Director post vacant and One (1) Assistant Director Post Vacant</td></tr>
<tr><td>Two (2) Chief Security Officers for training were reappointed</td></tr>
<tr><td>Chief Security Officers posts advertised due for interviews</td></tr>
<tr><td>All level five (5) posts advertised were appointed in January 2021</td></tr>
</table>

BATHO PELE ARRANGEMENTS WITH BENEFICIARIES (CONSULTATION, ACCESS ETC.)

Current/actual arrangements	Desired arrangements	Actual achievements
Complaints and compliments box/books.	Service beneficiaries to direct their complaints, compliments and suggestions to the department by depositing such in the boxes placed in all the buildings.	Suggestion boxes are in place at all major entrances in the main buildings. To date there are no comments, suggestions and complaints dropped in these boxes. Therefore, no management strategy is needed thus far.

SERVICE DELIVERY INFORMATION TOOL

Current/actual information tools	Desired information tools	Actual achievements
Departmental Service Delivery Charter containing Security Service Standards displayed at entrances of buildings.	Daily monitoring and supervision of Security points.	Daily monitoring to adherence to Service Standards as promised in the departmental Service Delivery Charter is done by supervisors at all the security points.
OHSA information upon evacuation and evaluation.	Increase monitoring to at least two times a day to all security points.	Increase monitoring to at least two times a day to all security points so as to have correct OHS information upon evacuation.
Notices are posted on notice boards security measures that must be applied.	Refresher courses of Security Skills programmes.	Notices of security measures to be undertaken when need arises. These are displayed on the notice boards and entrances next to the lifts.
		Information on Refresher Security courses available is disseminated to all the relevant officials at security services and is facilitated by Human Resources Development.
Awareness sessions created on relevant aspects of the trade.	Conduct information sessions on all relevant aspects of the trade.	Information sessions have not been conducted during the 2020/2021 financial year due to COVID-19 situation.

COMPLAINTS MECHANISM

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
A Complaints & Compliments Management Procedure is in place.	A Complaints & Compliments Management Procedure is contained in the Service Delivery Charter which is reviewed annually.	Service delivery Improvement sub-directorate is dedicated to handle the Complaints & Compliments Management Procedure of the department.
A complaints management procedure is in place.	Complaints and compliments boxes/ registers/books.	Suggestion boxes have been strategically placed at all major entrances in the main buildings. However, there are no comments dropped in these boxes so no management strategy is needed thus far.
		Security supervisors contact details available at entrance to enable them to handle complaints as and when they arise.

2.3 Organisational environment

Critical posts have been filled by appointing the Accounting Officer and the Chief Financial Officer coupled with strengthening the units that contribute to good corporate governance, supply chain management as well as professionals and artisans.

2.4 Key policy developments and legislative changes

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

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

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

Outcomes below are discussed in terms of 2020/2021 progress made against five year targets:

Sustainable Infrastructure Investment

The five year target set for infrastructure projects is 55 and 21 has been achieved (4 construction and 17 maintenance)

Productive Assets

The achievement on **transformation** for 2020 was at 59% against the five year target of 70/30

Property Rates expenditure is on 100% and Municipal Services 99.99% of the adjusted budget.

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

Electronic security was re-prioritised for 2020/2021. Physical security target was overachieved by 32 due to 6 *ad hoc* requests and 26 COVID-19 quarantine sites (isolation/quarantine and shelter for homeless).

Optimized job opportunities

Of the planned five-year target of 12 000 work opportunities, 1 893 were achieved during the year under review with women at 65%, youth at 47 % (target was 55%) and disability target reached at 2%.

Quality Services to Clients

220 appointments were made in 2020 compared to the five year target of 440. The department managed to record 100% financial disclosures of designated employees and 99.5% invoices were paid within 30 days.

In response to the outbreak of Covid-19 pandemic, the Department had to adjust its strategy by introducing alternative working arrangements which included 'Working from home' and implemented the Teams virtual platform for managers from level 9 upwards. All meetings are held through this platform to ensure safety of the employees.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: Administration

Purpose

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

Programme 1 consists of the following Sub-Programmes:

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

4.1.1 Corporate Support Sub Programme

Purpose

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

Corporate Services Sub sub-programme

Purpose

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

Finance Sub sub-programme

Purpose

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

Information Communication Technology Sub sub-programme

Purpose

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

Outcomes, outputs, output indicators, targets and actual achievements								
Corporate Support Sub-programme								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Target 2020/2021**	**Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement for 2020/2021**	**Reasons for deviations**
Non-Customised output indicators								
Quality Services to Clients	Constitutional Compliance	Designated employee compliance with financial disclosure.	New	New	100% per group	100% *(Group 1 & 2)*	100%	None
		Number of appointments according to the Human Resource Plan	229	66	210	220	5%	The over performance of 5% is insignificant since the personnel budget is still sufficient – no over spending applicable.
	Skills development	Number of training interventions according to the Workplace Skills Plan.	32	36	8	26	225%	The over achievement is due to: – many training programs (mostly online programs) that are now presented "free of charge" – the negative effect that COVID-19 seems to have on training was mitigated to a degree by this i.e. people still attended training albeit it mainly from virtual platforms. Also note that the training budget was not overspend.
	PFMA compliance	Number of invoices paid within 30 days of receipt by the institution over the total number of invoices received by the institution*100	New	New	100%	99.98%	-0.02%	No material variance between the target and the actual performance.
	Creating awareness for environmental friendliness	Internet of things (IoT)	New	New	Implementation of MS Teams for Virtual meetings	1 *(MS Teams)*	0%	None

Strategy to overcome areas of under performance
Receive all invoices at single entry point. Register all invoices, track and follow up on all invoices sent to end users for certification. Send communication to Managers in cases of non-compliance

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

The information in the Annual Report is aligned to the APP

Reporting on the Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographic location (Province/ District/local municipality) (Where Possible)	No. of benefi-ciaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
Programme 1: Administration	ICT: Implementation of MS Teams for virtual meetings	Free State (Departmental-wide)	120	Departmental Employees	R4 500 000	R4 200 000	APP Output: Creating awareness for environmental friendliness	Virtual meetings continue to be held in support of remote working since Q1
	ICT: Implementation of Departmental What's-APP Group	Free State (Departmental-wide)	120	Departmental Employees with Contract mobile phones	N/A	N/A	N/A	Enhanced communication of Departmental information

Sub-programme expenditure

Sub- Programme Name	2020/2021			2019/2020		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Corporate Support	103 054	102 895	159	101 426	101 286	140
Total	**103 054**	**102 895**	**159**	**101 426**	**101 286**	**140**

4.2 Programme 2: Public Works Infrastructure

Purpose

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

Programme 2 consists of the following Sub-programmes:

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

4.2.1 Design Sub Programme

Purpose

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

4.2.2 Construction Sub-Programme

Purpose

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

4.2.3 Maintenance Sub-Programme

Purpose

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

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

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

Outcomes, outputs, output indicators, targets and actual achievements								
Design, Construction and Maintenance Sub-programmes								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Target 2020/2021**	**Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement for 2020/2021**	**Reasons for deviations**
Customised output indicators								
Sustainable Infrastructure Investment	Infrastructure projects delivered	Number of infrastructure designs ready for tender.	1	2	8	6	-25%	Under achievement is due to departmental budget cuts. The two designs (Harrismith: Morena Tsohisi Primary School and Parys: New Primary School) are deferred to the next financial year.
		Number of capital infrastructure projects completed.	20	18	2	1	-50%	The budget for Fidel Castro and OR Tambo Biometric closed-circuit television (CCTV) has been reprioritised due to COVID -19 funding. However, the security upgrade at the Prestige houses were completed during the year under review.
Non-Customised output indicators								

Outcomes, outputs, output indicators, targets and actual achievements								
Design, Construction and Maintenance Sub-programmes								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Target 2020/2021**	**Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement for 2020/2021**	**Reasons for deviations**
Sustainable Infrastructure Investment	Expansion of building life cycle.	Number of TRPs completed	New	New	4	3	-25%	The budget for Allanridge TRP has been reprioritised after termination of contract due to non-compliant to SARS requirements and the project will implemented in the next financial year.
		Number of emerging contractors placed on projects.	New	New	10	17	70%	Procurement method moti-vated higher inclusion of CDP contractors on capital project.
		Water savings (20%)	New	New	Implementation of water man-agement on 6 buildings.	6	0%	None
Customised output indicators								

Outcomes, outputs, output indicators, targets and actual achievements								
Design, Construction and Maintenance Sub-programmes								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Target 2020/2021**	**Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement for 2020/2021**	**Reasons for deviations**
Sustainable Infrastructure Investment	Expansion of building life cycle.	Number of planned maintenance projects awarded	2	8	10	12	20%	The implementation methodology of Koffiefontein Education and SASSA Building project was changed from implementing the project in-house to implementation through tender with an aim to empower emerging contractors participating on Contractor Development Programme (CDP).
		Number of planned maintenance projects completed	1	6	22	17	-23%	The budget for Kopano Hospital Tuck-shop in Welkom has been reprioritised, and the four outstanding projects are currently under implementation.

Strategy to overcome areas of under performance
Number of infrastructure designs ready for tender.
The two designs (Harrismith: Morena Tsohisi Primary School and Parys: New Primary School) are deferred to the next financial year.
Number of capital infrastructure projects completed.
Fidel Castro and OR Tambo Biometric CCTV will be will be implemented in the next financial year.
Number of TRPs completed
The TRP project will be implemented in the next financial year
Number of planned maintenance projects completed
All outstanding projects will be completed and reported in the next financial year

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

The information in the Annual Report is aligned to the APP

Reporting on the Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographic location (Province/ District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
Programme 2: Public Works Infrastructure Works Design, Construction and Maintenance	Phillip Sanders Resort	Motheo - Bloem-fontein	9	1 woman (youth) 8 men (adults)	5 598	5 598	Number of main-tenance projects completed	Provision of accommodation for quarantine purposes

Sub-programme expenditure

Sub- Programme Name	2020/2021			2019/2020		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Design	17 662	17 655	7	19 864	19 843	21
Total	**17 662**	**17 655**	**7**	**19 864**	**19 843**	**21**

Sub- Programme Name	2020/2021			2019/2020		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Construction	43 300	41 510	1 790	14 945	14 934	11
Total	**43 300**	**41 510**	**1 790**	**14 945**	**14 934**	**11**

Sub- Programme Name	2020/2021			2019/2020		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Maintenance	162 634	162 174	460	134 741	133 198	1 543
Total	**162 634**	**162 174**	**460**	**134 741**	**133 198**	**1 543**

4.2.4 Planning Sub Programme

Purpose

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

4.2.5 Immovable Asset Management Sub Programme

Purpose

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

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

4.2.6 Facility Operations Sub Programme

Purpose

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

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

4.2.6.1 Operational Property and Housekeeping Sub sub-programme

Purpose

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

4.2.6.2 Security Services Sub sub-programme

Purpose

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

Outcomes, outputs, output indicators, targets and actual achievements								
Planning, Immovable Asset Management and Facility Operations Sub-programmes								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement for 2020/2021	Reasons for deviations
Non-Customised Output Indicator								
Productive Assets	Reliable Im-movable Asset Register	Number of proper-ties recorded on the Immovable Asset Register	4 895	4 869	4 316	4 877	13%	Over achievement is due to the additional properties to the Immovable Asset Register. These properties are registered in the name of the Free State Provincial Government.
Customised Output Indicator								
Productive Assets	Reliable Immovable Asset Register	Number of condition assessments conducted on state-owned buildings.	60	44	30	29	-3%	The scope to assess Old Kopano Hospital in Welkom Kopano Complex was cancelled due to occupation by squatters.

Outcomes, outputs, output indicators, targets and actual achievements								
Planning, Immovable Asset Management and Facility Operations Sub-programmes								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Target 2020/2021	Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement for 2020/2021	Reasons for deviations
Non-Customised Output Indicators								
Productive Assets	Reliable Immovable Asset Register	Acquisition of properties.	New	New	2	0	-100%	The registration process of the property in the name of FSPG has not yet been finalised.
		Disposal of properties	New	New	553	0	-100%	Awaiting the Dept. of Human Settlements and Municipality to finalise the verification to determine the rightful beneficiaries
		Amount of revenue collected.	R41.535m	R45.467m	R81.512m	R45.387m	-44%	Delays in finalising disposal of properties contributed to under collection of revenue. The Department requested Provincial Treasury to decrease the target for revenue collection to R54. 653m.
		Number of properties receiving facility management services *(Housekeeping, cleaning-gardening services)*	40	40	40	40	0%	None

Planning, Immovable Asset Management and Facility Operations Sub-programmes								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Target 2020/2021**	**Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement for 2020/2021**	**Reasons for deviations**
Non-Customised Output Indicators								
Productive Assets	Safe government buildings	Number of properties installed with electronic security system at entrances.	New	New	2	0	-100%	The budget to install electronic security system at O.R. Tambo House and Fidel Castro Building has been reprioritized.
		Number of properties guarded with physical security	32	32	22	54	145%	Over performance is due to 6 ad hoc sites and COVID-19 sites (15 quarantine and 11 homeless sites) that were rendered with security services based on the request received and response to COVID-19 protection needs

Strategy to overcome areas of under performance
Number of condition assessments conducted on state-owned buildings.
The condition assessment on Old Kopano Hospital will be conducted in the 2021/2022 financial year.
Acquisition of properties.
Acquired properties will be reported in the next financial year after the registration process has been finalised.
Disposal of properties
Disposed properties will be reported in the next financial year after finalisation of the disposal process.
Amount of revenue collected.
Revenue collected from the disposed properties will be reported in the next financial year after finalisation of the disposal process.
Number of properties installed with electronic security system at entrances.
Implementation of the project in two strategic buildings has been deferred to the next financial year.

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

The information in the Annual Report is aligned to the APP

Reporting on the Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographic location (Province/ District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention (R'000)	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
Expenditure for the Financial Year								
Programme 1: Administration	Social distancing (CONS: STA, PRINT & OFF SUP)	Mangaung Xhariep Fezile Dabi Thabo Mo-futsanyana Lejweleputswa	N/A	N/A	130	130	Intervention not planned for on the APP	Provision of stickers for social distancing
	Procurement of office furniture for isolation rooms (MINOR ASSETS)	Mangaung Xhariep Fezile Dabi Thabo Mo-futsanyana Lejweleputswa	N/A	N/A	37	37	Intervention not planned for on the APP	Provision of equipment for isolation rooms (tables, chairs)
	Procurement of office furniture for isolation rooms *(OTHER MACHINERY & EQUIPMENT*	Mangaung Xhariep Fezile Dabi Thabo Mo-futsanyana Lejweleputswa	N/A	N/A	181	181	Intervention not planned for on the APP	Provision of stretchers for isolation rooms

Budget Programme	Intervention	Geographic location (Province/ District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention (R'000)	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
Expenditure for the Financial Year								
Programme 2: Public Works Infrastructure	Accommodation utilized as quarantine facilities for COVID-19 (OPERATING LEASES)	Mangaung Xhariep Fezile Dabi Thabo Mofutsanyana Lejweleputswa	N/A	N/A	12 424	12 423	Intervention not planned for on the APP	Provision of accommodation utilized as quarantine facilities
	Sanitizing material (CONS SUPPLIES)	Mangaung Xhariep Fezile Dabi Thabo Mofutsanyana Lejweleputswa	N/A	N/A	72	70	Intervention not planned for on the APP	Provision of sanitize dispensers, spray bottles, etc
	Quarantine facilities *(CONTRACTORS)*	Mangaung Xhariep Fezile Dabi Thabo Mofutsanyana Lejweleputswa	N/A	N/A	42 530	42 157	Intervention not planned for on the APP	Condition assessment and maintenance at quarantine and isolation facilities.
	Material and Supplies *(INV:MATERIALS &* *SUPPLIES)*	Mangaung Xhariep Fezile Dabi Thabo Mofutsanyana Lejweleputswa	N/A	N/A	304	303	Intervention not planned for on the APP	Provision of duplicate keys for isolation rooms and perspex screens

Budget Programme	Intervention	Geographic location (Province/ District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention (R'000)	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
Expenditure for the Financial Year								
Programme 2: Public Works Infrastructure	Material and Supplies (INV:OTHER SUPPLIES)	Mangaung Xhariep Fezile Dabi Thabo Mofutsanyana Lejweleputswa	N/A	N/A	17	17	Intervention not planned for on the APP	Provision of toilet accessories
	Security at quarantine sites and disinfection of buildings (PROPERTY PAYMENTS)	Mangaung Xhariep Fezile Dabi Thabo Mofutsanyana Lejweleputswa	N/A	N/A	12 818	12 780	Intervention not planned for on the APP	Provision of (i) private security at quarantine and isolation facilities, (ii) sanitising of buildings and (iii) first aid items for isolation rooms
	Guard houses and retaining fences (RENTAL & HIRING)	Mangaung Xhariep Fezile Dabi Thabo Mofutsanyana Lejweleputswa	N/A	N/A	2 266	2 264	Intervention not planned for on the APP	Rental of collapsible fences and guard houses at facilities

Sub-programme expenditure

Sub- Programme Name	2020/2021			2019/2020		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Planning	9 287	9 279	8	10 564	10 549	15
Total	**9 287**	**9 279**	**8**	**10 564**	**10 549**	**15**

Sub- Programme Name	2020/2021			2019/2020		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Immovable Asset Management	1 042 627	1 042 579	48	1 139 965	1 138 745	1 220
Total	**1 042 627**	**1 042 579**	**48**	**1 139 965**	**1 138 745**	**1 220**

Sub- Programme Name	2020/2021			2019/2020		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Facility Operations	191 414	191 308	106	177 239	177 222	17
Total	**191 414**	**191 308**	**106**	**177 239**	**177 222**	**17**

4.3 Programme 3: Expanded Public Works Programme

Purpose

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

Programme 3 consists of the following Sub-Programmes:

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

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

4.3.1 Community Development Sub Programme

Purpose

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

4.3.2 Innovation and Empowerment Sub Programme

Purpose

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

4.3.3 Coordination and Compliance Monitoring Sub Programme

Purpose

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

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

Outcomes, outputs, output indicators, targets and actual achievements								
Expanded Public Works Programme								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Target 2020/2021**	**Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement for 2020/2021**	**Reasons for deviations**
Customised Output Indicators								
Optimised job opportunities	Development initiatives for the unemployed.	Number of work opportunities created by the Provincial Department of Public Works and Infrastructure.	3 321	2 987	1 690	1 893	12%	The over achievement is due to expansion of non-infrastructure programmes to some of the communities that are extremely affected by post COVID-19 unemployment in the province.
	Empowerment of impoverished communities.	Number of beneficiary empowerment interventions	3	3	3	3	0%	None
	Co-ordinate expenditure on the Expanded Public Works Programme	Number of public bodies reporting on EPWP targets within the Province	31	31	31	32	3%	Fezile Dabi District was not part of the planned target as it was not reporting for more than five years and have started to report in this financial year.
Non-Customised Output Indicator								

Outcomes, outputs, output indicators, targets and actual achievements								
Expanded Public Works Programme								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/2019**	**Audited Actual Performance 2019/2020**	**Planned Target 2020/2021**	**Actual Achievement 2020/2021**	**Deviation from planned target to Actual Achievement for 2020/2021**	**Reasons for deviations**
Optimised job opportunities	Skilled youth	Number of work opportunities created for skilled youth.	29 082	29 106	150	166	11%	Overachievement is due to the placement of trained participants on TRP projects that are in Botshabelo and Odendaalsrus

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

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

Reporting on the Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographic location (Province/ District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention (R'000)	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
Programme 3: Expanded Public Works Programme	Provincial Quarantine Facilities Cleaning Project	Mangaung, Phillip Sanders	13	Women = 09 Male = 04	-	336	Number of work opportunities created by the provincial department of public works and infrastructure	29 work opportunities created including income support to unemployed participants.
		Thabo Mofutsanyana, QwaQwa, Sterkfontein	06	Women = 01 Male = 5				
		Memel	04	Women = 4				
		Xhariep, Gariep Dam	06	Women = 03 Male = 03				

Sub-programme expenditure

Sub- Programme Name	2020/2021			2019/2020		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Community Development	33 742	33 505	237	101 394	101 112	282
Total	**33 742**	**33 505**	**237**	**101 394**	**101 112**	**282**

Sub- Programme Name	2020/2021			2019/2020		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Innovation and Empowerment	12 708	12 707	1	52 214	52 212	2
Total	**12 708**	**12 707**	**1**	**52 214**	**52 212**	**2**

Coordination and Compliance Monitoring Sub-programme expenditure

Projects reported under Coordination and Compliance Monitoring Sub-Programme are implemented through public bodies own budget. The Department of Public Works and Infrastructure is only responsible for coordination and technical support to these public bodies.

5. TRANSFER PAYMENTS

5.1 Transfer payments to municipalities

The table below depicts the *transfer payments made for the period of 01 April 2020 to 31 March 2021*:

Name of Municipality	Key outputs of the Municipality	Amount transferred to the Municipality	Amount spent by the Municipality	Achievements of the Municipality
FS161 Letsemeng	Property Rates Payments	2 568 034,68	N/A	N/A
FS162 Kopanong	Property Rates Payments	7 377 155,38		
FS163 Mohokare	Property Rates Payments	401 873,67		
FS181 Masilonyana	Property Rates Payments	7 121 609,64		
FS182 Tokologo	Property Rates Payments	298 697,28		
FS183 Tswelopele	Property Rates Payments	2 410 106,04		
FS184 Matjhabeng	Property Rates Payments	124 185 278,67		
FS185 Nala	Property Rates Payments	4 955 517,36		
FS191 Setsoto	Property Rates Payments	14 066 000,64		
FS192 Dihlabeng	Property Rates Payments	10 994 519,01		
FS193 Nketoana	Property Rates Payments	931 275,30		
FS194 Maluti-A-Phofung	Property Rates Payments	65 632 065,24		
FS195 Phumelela	Property Rates Payments	1 964 330,01		
FS196 Mantsopa	Property Rates Payments	3 421 432,17		
FS201 Moqhaka	Property Rates Payments	13 582 721,19		
FS203 Ngwathe	Property Rates Payments	7 498 709,82		
FS204 Metsimaholo	Property Rates Payments	11 097 622,02		
FS205 Mafube	Property Rates Payments	2 125 000,00		
MAN Mangaung (Metro)	Property Rates Payments	155 602 580,30		
Total		**436 234 528,42**		

6. CONDITIONAL GRANTS

6.1 Conditional grants and earmarked funds paid

The table below describes each of the conditional grants and earmarked funds paid by the department.

Conditional Grant:

EPWP Integrated Grant to Provinces

Department to whom the grant has been transferred	Public Works and Infrastructure
Purpose of the grant	Utilisation of Infrastructure and cleaning and greening projects in line with EPWP principles.
Expected outputs of the grant	The grant will be utilized for infrastructure and cleaning and greening projects in line with EPWP principles and to create more work opportunities based on the full-time equivalent jobs.
Actual outputs achieved	Creation of decent jobs and increase in the Gross Domestic Product (GDP) of respective towns.
Amount per amended DORA	R6.270 million
Amount transferred (R'000)	R6.270 million
Reasons if amount as per DORA not transferred	The entire DORA allocation was received.
Amount spent by the department/ municipality (R'000)	R6.269 million
Reasons for the funds unspent by the entity	Total budget was spent
Monitoring mechanism by the transferring department	Decentralisation of Community Liaison Officers to the districts for scrutiny. Submission of monthly conditional grant expenditure report to Provincial Treasury with explanatory information

Earmarked Funds Paid:

Property Rates and Taxes Allocation

Municipality to whom the grant has been transferred	Public Works and Infrastructure
Purpose of the allocation	For the payments of municipal property rates and taxes on all provincially owned properties (registered, unregistered or incorrectly registered).
Expected outputs of the allocation	Payment on receipt of valid property rates and taxes invoices from municipalities.
Actual outputs achieved	Payments of rates and taxes made within 30 days upon receipt of the invoices from municipalities.
Amount per amended DORA	R436.245 million
Amount transferred (R'000)	R436.245 million
Reasons if amount as per DORA not transferred	The entire DORA allocation was received.
Amount spent by the Department (R'000)	R436.235 million
Reasons for the funds unspent by the Department	Total budget was spent.
Monitoring mechanism by the transferring Department	Payment of property rates to be captured on Basic Accounting System (BAS) and reconciled to Rates and Taxes register

Infrastructure Enhancement Allocation

Department to whom the grant has been transferred	Public Works and Infrastructure
Purpose of the grant	Assist in acceleration of construction, maintenance and rehabilitation of new and existing infrastructure. Enhance capacity to deliver on infrastructure exclusively for provincial related projects.
Expected outputs of the grant	Number of buildings and facilities constructed and maintained.
Actual outputs achieved	Number of buildings and facilities constructed and maintained.
Amount per amended DORA	R25.076 million
Amount transferred (R'000)	R25.076 million
Reasons if amount as per DORA not transferred	The entire DORA allocation was received.
Amount spent by the Department (R'000)	R24.516 million
Reasons for the funds unspent by the Department	Due to the COVID-19 pandemic, the budget process was delayed and therefore procurement could only commence after the budget was enacted.
Monitoring mechanism by the transferring department	Submission of detail monthly reports and quarterly reports both internally and to Provincial Treasury (budget, expenditure and outputs achieved).

Revenue Enhancement Allocation

The Department did not receive REA funds during the 2020/2021 financial year

COVID-19 Response Funds

Department to whom the grant has been transferred	Public Works and Infrastructure
Purpose of the grant	To enable the Free State Government to minimise the risk of transmission of COVID-19
Expected outputs of the grant	To enable the Free State Government to minimise the risk of transmission of COVID-19
Actual outputs achieved	Provision of quarantine facilities across the Free State: R40.217 million was used for maintenance at seven game/nature reserves in the province which were used as quarantine/isolation facilities. R11.663 million was paid for private accommodation that was used for quarantine/isolation facilities. R10.120 million was paid to provide security at these facilities. Implementing COVID-19 protocols within the workplace: The remaining amount was spent on the disinfection of buildings, first aid items and establishment of isolation rooms, stickers for social distancing and other cleaning material.
Amount per amended DORA	R70.779 million
Amount transferred (R'000)	R70.779 million
Reasons if amount as per DORA not transferred	The entire DORA allocation was received.
Amount spent by the Department (R'000)	R70.362 million
Reasons for the funds unspent by the Department	The unspent funds mainly relate to retention fees payable during the 2021/2022 financial year for the work done at the resorts.
Monitoring mechanism by the transferring department	Monthly/Quarterly reports to Provincial Treasury.

6.2 Conditional grants and earmarked funds received

The table/s below details the conditional grants and ear marked funds received during for the period 1 April 2020 to 31 March 2021.

Department who transferred the grant	Public Works and Infrastructure
Purpose of the grant	Utilisation of Infrastructure and cleaning and greening projects in line with EPWP principles.
Expected outputs of the grant	The grant will be utilized for infrastructure and cleaning and greening projects in line with EPWP principles and to create more work opportunities based on the full-time equivalent jobs.
Actual outputs achieved	Creation of decent jobs and increase in the GDP of respective towns.
Amount per amended DORA	R6.270 million
Amount received (R'000)	R6.270 million
Reasons if amount as per DORA was not received	The entire DORA allocation was received.
Amount spent by the department (R'000)	R6.269 million
Reasons for the funds unspent by the department	Total budget was spent.
Reasons for deviations on performance	N/A
Measures taken to improve performance	N/A
Monitoring mechanism by the receiving department	Decentralisation of Community Liaison Officers to the districts for scrutiny. Submission of monthly conditional grant expenditure report to Provincial Treasury with explanatory information.

7. DONOR FUNDS

7.1 Donor Funds Received

The Department did not receive any donor funding during 2020/2021 financial year.

8. CAPITAL INVESTMENT

8.1 Capital investment, maintenance and asset management plan

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

Provincial Department	Completed Project Name
Public Works and Infrastructure = 3	Botshabelo TRP Odendaalsrus TRP Steynsrus TRP
Education = 1	Bethlehem: Rehopotswe (Bohlokong) New Primary School.

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

Provincial Department	Project Name	Expected Completion Date
Education = 11	Viljoenskroon: Dr Sello Primary School	30 October 2021
	Bothaville: Tshehetso Primary School	30 October 2021
	Sasolburg: Katlego Mpumelelo Primary School	28 February 2023
	Fouriesburg: Breda Farm School: Hostel	30 October 2021
	Welkom: Leboneng Special School: Hostel	30 October 2021
	Bethlehem: Vogelfontein Primary School	31 March 2023
	Zastron: Mooifontein School	30 June 2021
	Clocolan: Ruang Tsebo School.	30 June 2021
	Bloemfontein: Old Eureka Hostel:	30 June 2021
	Bloemfontein: Matla Phase 2:	31 August 2021
	Thaba Nchu: Bartimea Special	15 December 2021
Health = 1	Welkom: New Riebeeckstad (Thandanani) Clinic	29 October 2022
Sport, Arts, Culture and Recreation = 2	Phuthaditjhaba: Charles Mopeli Stadium Phase 1	30 June 2021
	Wepener: Qibing Library	30 September 2021

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

No buildings were closed down or downgraded during the 2020/2021 financial year

Progress made on the maintenance of infrastructure

The Department is supporting the Department of Health with provision of quarantine infrastructure for COVID-19. Government-owned quarantine facilities identified in partnership with the Department of Health and the Department of Economic, Small Business Development, Tourism and Environmental Affairs for quarantine are Phillip Saunders, Seekoeivlei, Sterkfontein, Tussen die Rivier, Gariep Dam, Willem Pretorius and Koppies Dam Resorts and Nature Reserves. Funds were prioritised to do maintenance and refurbishments on these sites.

Naval Hill Lodge, owned by Transnet has also been made available with the condition that the department maintains it prior to utilisation for quarantine services to enable it to meet the standards set by the Department of Health. The Department has also signed Service Level Agreements with Private Accommodation Providers. These facilities will only be utilized when additional space is required and state owned facilities are not readily available.

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

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

Opening balance (01 April 2020)	Closing balance (31 March 2021)	Movement
4 869	4 877	8

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

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

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

Condition of Facility	Number of Facilities	Percentage
GOOD	158	10.4 %
FAIR	1246	81.6 %
BAD	123	8.0 %
Total	**1527**	**100%**

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

The Department managed to complete the following maintenance projects which includes 7 Nature Reserves / Resort earmarked for COVID-19 accommodation facilities:

- Gariep Dam Nature Reserve
- Koppies Dam Nature Reserve
- Williem Pretorius Game Reserve
- Soetdoring Nature Reserve
- Sandveld Nature Reserve
- Tussen Die Riviere Game Reserve
- OR Tambo Paraplegic Lift
- National Hospital - Compass Waste
- Botshabelo Hospital Tuck Shop
- Universitas Hospital Hair Salon
- OR Tambo registry roof
- Fidel Castro - SITA
- 4 Roth Avenue
- Phillip Sanders Resort
- Odendaalsrus Thusanong Tuck Shop
- Bloemfontein: OR Tambo & Fidel Castro Phase 3. HVAC
- 4th Raadzaal

Infrastructure Projects	2019/2020			2020/2021		
	Final Appropriation	Actual Expenditure	Under Expenditure	Final Appropriation	Actual Expenditure	Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
New and replacement assets	-	-	-	2 890	2 890	-
Existing infrastructure assets	96 872	95 245	1 627	97 422	95 006	2 416
– Upgrades and additions	76 858	76 845	13	39 767	38 617	1 150
– Rehabilitation, renovations and refurbishments	2 321	2 319	2	13 840	12 972	868
– Maintenance and repairs	17 693	16 081	1 612	43 815	43 417	398
Infrastructure transfer	-	-	-	-	-	-
– Current	-	-	-	-	-	-
– Capital	-	-	-	-	-	-
Total	**96 872**	**95 245**	**1 627**	**100 312**	**97 896**	**2 416**

PART C
GOVERNANCE

CONTENTS

1. INTRODUCTION

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

2. RISK MANAGEMENT

The Department has an approved Risk Management Policy and Strategy in place. The Risk Management Policy and Strategy are reviewed annually taking into consideration changes in the environment to ensure an appropriate risk management culture across the Department. The Risk Management Strategy and Risk Management Policy were tabled before the Risk & Ethics Management Committee and were subsequently approved by the Accounting Officer for implementation during the 2020/2021 financial year.

Risk assessment is conducted annually to evaluate the status of identified risks, determine the level of progress on the implementation of action plans and to update the level of risk exposure at residual level of the risks considering the strategic objective. Emerging risks are identified when risk monitoring is conducted and when there are any changes in the Department's operations. Consultations take place and the emerging risks are brought to the attention of the risk owner. The final Strategic Risk Register for the 2020/21 financial year was approved by the Accounting Officer and the implementation thereof was monitored on a quarterly basis. Risk action plans were broken up into quarterly measurable targets to ensure that progress is tracked and reported meaningfully.

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

The Chairperson of the REMC presents the REMC Chairperson Report on quarterly basis to the Audit Committee. Quarterly risk management reports are being presented to the Audit Committee by the Chief Risk Officer covering the risk profile of the Department, mitigation of risks and awareness. The Audit Committee provides independent advice on the reports and risk profiles.

The Risk and Ethics Management Committee continues to foster a culture that emphasises and demonstrates the benefits of a risk-based ethical approach to internal control and management of the Department. There is an ongoing assessment and improvement of the risk management process to ensure that the correct root causes, impact and action plans are identified and mitigated. Internal Audit has relied on the content of the Strategic Risk Register in developing its Risk Based Internal Audit Annual Plan for 2020/21.

3. FRAUD AND CORRUPTION

Fraud and corruption represent significant potential risks to the Department and can negatively impact on both service delivery efficiency and the Department's reputation. The Department is committed to zero-tolerance with regard to corrupt or fraudulent activities, whether internal or external. To achieve this the department has adopted Fraud Prevention Plan to direct activities that prevent or detect any form of fraud and corruption in the department. The Fraud Prevention Plan is reviewed annually by the Risk and Ethics Management Committee for approval by the Accounting Officer.

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

Reporting procedures and resolution of reported incidents – Employees

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

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

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

- The Department encourages members of the public or providers of goods and/or services who suspect fraud and corruption to contact the Director: Internal Audit or any other member of Senior Management.
- Should the member of public wish to report allegations of fraud and corruption anonymously, they can contact National Anti-Fraud and Corruption Hotline or departmental Hotline 0800 701 701 and www.publicworks.fs.gov.za .

Action taken for any fraud and corruption

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

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

4. MINIMISING CONFLICT OF INTEREST

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

The Public Service Regulations, 2016 which came into effect on 1 August 2016 also provides that the Minister for the Public Service and Administration (MPSA) may identify other salary levels that should disclose their financial interest. The Minister determined that employees on Deputy Director level and staff employed in the professions (OSD) on these levels and all appointees within Supply Chain Management and Finance also form part of the designated groups and should also disclose.

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

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

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

5. CODE OF CONDUCT

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

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

- Directive by MPSA on the remunerative work outside the employee's employment in the relevant Department as contemplated in Section 30 of the Public Service Act, 1994 dated 1 November 2016.
- Directive by MPSA on Conducting Business with an Organ of State dated 27 January 2017.
- Determination on other categories of designated employees to disclose their financial interests and Directive on the form, date and financial interests to be disclosed issued by the Minister for Public Service and Administration dated 16 March 2017. All three directives applied for the 2020/2021 financial year.

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

However, this aspect was addressed by means of regular circulars issued in respect of the Code of Conduct which were linked to the return of employees back to work as and when various COVID-19 alert levels were adjusted. During the year under review the online programme Ethics in the Public Service was implemented and 185 employees participated and were successful.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

Any employer of choice is measured against the success of the employee health and wellness programme. Departmentally this programme which relies on close co-operation with line management seeks to achieve a healthy and productive workforce. Occupational Health and Safety (OHS) is central to a healthy workforce, clients / customers and service providers.

The Department has an OHS committee that deals with matters which are related to Health and Safety of the employees. The committee meets on a quarterly basis and implement OHS. Meetings are being chaired by a middle manager from the Security Services Unit of the Department. The OHS plan has been approved by the Head of the Department.

In addition to the OHS Committee referred to above, the Department established a COVID-19 war-room to fast-track and put systems in place to ensure compliance with all health and safety protocols required of an employer during the pandemic. The Department was on numerous occasions found to be compliant in this respect by the Department of Employment and Labour.

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

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

7. PORTFOLIO COMMITTEES

The dates of the meeting

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

No.	Subject on the Programme of the Portfolio Committee Meeting	Date of the meeting
1	Consideration of *2020/2021 Annual Performance Plan* on Non-Financial Matters	17 September 2020
2	Consideration of *2020/2021 Q1 Performance Progress Report* on Non-Financial Matters	18 September 2020
3	Tabling of the *2019/2020 Annual Report*	31 October 2020
4	Consideration of *2020/2021 Q2 Performance Progress Report* on Non-Financial Matters	12 November 2020
5	Consideration of *2019/2020 Annual Report* on Non-Financial Matters	25 February 2021
6	Consideration of *2020/2021 Q3 Performance Progress Report* on Non-Financial Matters	25 February 2021

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

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

8. SCOPA RESOLUTIONS

Indicate the dates SCOPA meetings were held.

In a tabular format state the resolutions specific to the department, the details pertaining to the resolutions and the progress made by the department with regard to each resolution. For each resolution indicate if it has been resolved. Report on all outstanding SCOPA resolutions outstanding from the previous year and all new resolutions passed in the current financial year.

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/ No)
11/2018, 1 (a)	The Portfolio Committee was concerned about the outstanding payments for municipal services which negatively affects service delivery in the municipalities within the province.	Indicate what arrangements the department are undertaking to ensure that payments to municipalities will be done within the financial year so that it will not be an accrual.	- The Department has reported the shortfall to National Treasury, Provincial Treasury, Provincial Medium-Term Expenditure Committee (PMTEC), and National Inter-Governmental Task Team Meeting. - The Department of Public Works & Infrastructure participates fully in the municipal budget processes during the planning cycle of municipalities. Relevant information is shared and discussed with the Municipalities. - The Property Rates allocation was adjusted with R46.189 m and Municipal Services was adjusted with R182.035m. - A Payment Plan for Mangaung and Centlec was recommended by Provincial Treasury and EXCO signed-off by the Premier. - 2019/2020 - Property Rates to the amount of R428.601m and Municipal Services to the amount of R469.528m were paid till end March 2020. - 2020/2021 - Property Rates to the amount of R434.697m (99.65%) and Municipal Services to the amount of R328.512m were paid till end March 2021.	Still in progress

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/ No)
1 (b)		Identify alternative means to save on normal expenditure in order to fund the amounts owed to the municipalities	- The Department has written letters to municipalities to consider tariff decrease .To date only four municipalities have implemented the reduced tariffs, follow up letters requesting rebates for tariffs above 0.02% were also sent. - Free State Provincial Government should consider costing the services to municipalities e.g. Township Revitalization Programme and set it off against outstanding debt through write off by a Municipal Council Resolution. - PW&I is in the process of disposing and transferring some of the properties and this approach will decrease Property Rates Expenditure considerably. - Conversion of leased-out properties to prepaid meters (Water and Electricity). - Letters forwarded to Municipalities requesting the enforcement and implementation of differential rates for Public Service Purpose properties in line with Municipal Property Rates Act (MPRA). - Considering and taking advantage of settlement / incentives introduced by municipalities. - Ensuring full implementation of Property Efficiency. - The 2020/2021 municipal tariff increases were far less than the previous years and averaged about 6%. - The Department has implemented shared water savings project (attached find the savings achieved).	Still in progress
1 (c)		Prepare a detailed action plan, outlining the municipality, the outstanding balance and the anticipated date of payment.	Projected payment table was reported on the reply letter submitted by the Department.	Yes

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/ No)
1 (d)		Engage municipalities to improve consultation before services are cut-off.	- The Department continues to engage Municipalities on a day-to-day basis regarding issues of non-payment, outstanding invoices, reconciliations etc. - Municipal visits are continuously conducted in order to ensure that service delivery is not hampered. - During the Mid-Year Bilateral Meetings held between Provincial Treasury, Municipalities and the Department to discuss budget issues, policies, tariff setting and any other related issues concerning payment to Municipalities are presented and discussed.	Yes
1 (e)		Enter into payment agreements with municipalities and continue with negotiations with Treasury and other oversight bodies regarding budget constraints.	2019/2020: A Payment Plans for Mangaung and Centlec were recommended by Provincial Treasury and EXCO signed-off by the Premier. The Department has not been able to sign-off or send Payment Plans to Municipalities. The reason being that Municipalities want the Department to commit and pay the current accounts and a portion of the accruals & payables. However the budget allocated is insufficient to even commit to the current accounts.	Still in progress

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/ No)
I11/2018, 2 (a)o.	During 2016/17 the department entered in to an agreement to dispose of a land parcel to the value of R48 million, identified for the development, namely the Free State Sport Institute (FFSI). The Portfolio Committee was concerned about the completion of the construction of the bulk infrastructure portion of the purchase agreement.	Indicate the time frames specified for the completion of the bulk infrastructure portion of the purchase agreement	The Department will be guided by the project plan of the purchaser once confirmed with the signed deed of sale and agreed stipulated timelines. The time frame is dependent on Sedtrade obtaining approval from the Municipality. The installation of Bulk Infrastructure will start from 1 April 2021. PHASE 1 OF BULK INFRASTRUCTURE: Water & Sewerage infrastructure - 1 April 2021 to 1 July 2021 Electrical & Roads infrastructure - 2 July 2021 to 1 October 2021 PHASE 2 OF BULK INFRASTRUCTURE: Water - 4 Oct 2021 to 26 Jan 2022 Sewerage - 4 Oct 2021 to 27 Sep 2022 Electrical - 4 Oct 2021 to 27 Jul 2022 Roads & Storm - 28 Sep 2022 to 25 Jan 2023 PHASE 3 OF BULK INFRASTRUCTURE: Water -26 Jan 2023 to 28 Mar 2023 Electrical - 26 Jan 2023 to 28 Jul 2023 Roads & Storm - 29 Mar 2023 to 29 May 2023 PHASE 4 OF BULK INFRASTRUCTURE: Water - 30 May 2023 to 28 Jul 2023 Electrical - 30 May 2023 to 28 Jun 2024 Roads & Storm - 28 Jul 2023 to 27 Sep 2023 according to the plan the project will be completed on the 28 Jun 2024	Yes
2 (2 (b)b)		Indicate how the bulk infrastructure progress will be monitored and accounted for between the department, the metro municipality and the entity.	The Department does obtain quarterly reports from Sedtrade on the implementation of the bulk infrastructure service. The Department together with the Municipality will Monitor and evaluate the reports received from Sedtrade to determine whether they comply with the signed deed of Sale.	Yes

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/ No)
2 (c)b		Within 30 days submit the contract relating to the selling of land next to CUT as promised during the hearing.	The Contract was submitted.	Yes
I11/2018, 3 (a)	The Portfolio Committee was concerned about the number of reported non-compliance findings in respect of material misstatements in submitted financial statements, expenditure management and procurement management.	Indicate what control measures will be implemented to ensure that reliable annual financial statements will be submitted for audit.	- The review process as one of the control measures was enhanced to ensure the accuracy and reliability during the compilation of the Annual Financial Statements which were submitted on the 31st of July 2020. The Department did implement the controls recommended by Provincial Treasury, and for the 2019/2020 financial year the Department didn't have any material misstatements.	Yes

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/ No)
I11/2018, 4 (a)	The Portfolio Committee was concerned that the department did not implement sufficient monitoring controls to ensure that projects are properly managed and contractors closely supervised in order to monitor the progress and quality of the projects	Implement additional monitoring control to ensure that projects are properly managed and contractors closely supervised in order to monitor the progress and quality of the projects.	- New Standard Operating Procedure to improve monitoring controls and project management for client departments and Township Revitalization have been developed. - New Project Filing management system has been developed.	Yes
4 (b)		Must enter into SLA with all Departments where they are requested to assist with project management to ensure clear responsibilities of each Department.	SLA's are in place in the form of Infrastructure Procurement Implementation Plans and Infrastructure Procurement Management Plan between departments.	Yes
4 (c)		Provide status reports on all incomplete infrastructure projects and ensure they assist all line Departments, their infrastructure units are functional and capacitated.	Status report has been submitted.	Yes
4 (d)		Address the capacity at the Department to deal with infrastructure projects as implementing agent of other Departments.	Capacity issues were addressed and the report was submitted.	Yes
4 (e)		That all rented and new buildings comply with health and safety regulations.	Property Management has developed an inspection plan to monitor compliance for occupational health and safety in rented buildings, See Planned schedule attached.	Yes
4 (f)		Ensure that all service providers are paid within 30 days.	Valid claims submitted to Project Management Unit are processed with 3 working days.	Yes

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/ No)
4 (g)		Not pay retention money where the budget Department is not satisfied with the quality of the completed project.	Retention is not paid on projects where the budget department is not satisfied with the quality of work.	Still in progress
4 (h)		Investigate and submit a report to the committee on all abandoned projects where the contractor is involved in other projects.	- Robs Investment has abandoned Bartimea Special School due to company being liquidated. - Archi-M Studio has abandoned Rehopotswe Primary School due to company being Liquidated. Emergency appointment is required on both projects once final account is completed. Client Department to report further.	Yes
4 (i)		Recover moneys due to government as a result of abandoned projects.	- Money will be recovered where due once the final account has been quantified and completed. -Retention monies withheld are retained on abandoned projects. -Final Account statements completed.	Yes
I11/2018, 5 (a)	The Portfolio Committee was concerned that the Department continue to utilize contract workers for cleaning and security purposes.	The Portfolio Committee resolved that the cleaning and security workers are absorbed as permanent workers and contracts are phased out.	The only Cleaners remaining on contract are those linked to the Executive Authorities. All security officers on contract that met the requirements have been appointed in a permanent capacity with effect from 1 February 2021. One security contract employee was dismissed on 15 March 2021 due to serious misconduct. A further 5 contracts will terminate on 31 March 2021. This process is complete	Yes

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Include a discussion on mechanisms put in place by the Accounting Officer to resolve the matters reported by the AGSA in the previous financial year. This should include all matters in the audit report and those noted as important in the management report.

The discussion should be limited to all matters that gave rise to a qualification, disclaimer, adverse opinion and matters of non-compliance only. The department may include the information in a table below as follows:

- **MATTERS ON THE AUDIT REPORT**

Matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Payables not recognized: Payments not made within 30 days	2019/2020	(i) Additional funds were requested through the Adjustment Budget submission. When the adjustment budget was gazetted. An additional R33.454 million was received. The Department also allocated R69.738m from internal savings. (ii). Payment plans were submitted to Mangaung and Centlec for signature, however the Department cannot adhere to the plan due to the depleted budget. (iii). A process has started to reconcile municipal debt returns submitted by Municipalities to Provincial Treasury with invoices received, once the process is complete, the payment plans will be signed-off with municipalities. (iv). The Municipal Services Budget has been depleted.
Goods and Services: Payments not made within 30 days		

Matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Compliance: Irregular expenditure not prevented **Goods and services:** Operating leases: Non-compliance - Expired leases continuing without extensions **SCM:** Extension of contracts, Capital commitments exceeding legislated thresholds)	2019/2020	The leases are being monitored and the Department is exploring a number of ways to ensure that the leases are market related, one of the ways is to negotiate market related tariffs while the Department is refurbishing state owned properties and not enter into new lease agreements. The Department has requested a deviation to Provincial Treasury to enter into short term leases with the landlords for this process, this request has been denied, and the Department has scheduled a meeting with Provincial Treasury to discuss the implications of them not approving such deviations. Below is the intention of the Department as well as progress on the expired leases. The Department started with a total number of 50 expired leases from the beginning of the 2020/2021 financial year, 7 leases were terminated as at 31 March 2021 and below is the breakdown of the 43 expired leases which will be handled as follows: 1. To negotiate short term leases (7) 2. New Appointments (10) - The Department is awaiting the refurbishments of the buildings to be completed by the landlords. 3. Needs to be re-advertised (3) 4. Request for Variation (1) 5. Approved Deviations (7) 6. Movement to state owned buildings (6) - The Department intends to refurbish state owned properties and terminate the existing expired leases. 7. At Specification (4) 8. Request for Donation (1) 9. Lease to be terminated (1) - Serving the termination period. 10. Needs not received (1) 11. Awaiting Legal Opinion (1) 12. To request needs (1)

10. INTERNAL CONTROL UNIT

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

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

The unit carries out the following functions:

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

11. INTERNAL AUDIT AND AUDIT COMMITTEE

Key activities and objectives of the internal audit

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

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

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

Specify summary of audit work done

Internal Audit had and completed 14 planned audit projects for the 2020/2021 financial year

Types of engagements included in the planned projects:

- Risk based engagements
- Management requests
- Consulting services
- Direct assistance to the Auditor General i.e. Cash count, Headcount

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

- Review of the departmental draft Annual Financial Statements for the year 2019/2020
- Review of the departmental draft Annual Report for the year 2019/2020
- Direct assistance to the AGSA – Headcount and Cash count
- Occupational Health and Safety
- Information Communication and Technology – Effective support of business processes
- Property Management – Revenue Enhancement (Consulting Engagement)
- Property Management – Utility Services, Rates and Taxes Payments (Consulting Engagement)
- Risk Management
- EPWP – DORA Conditional Grant
- Supply Chain Management - COVID-19 Expenditure

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

- Review of the quarterly Interim Financial Statements (2nd and 3rd Quarters)
- Review of the quarterly Performance Information (2nd and 3rd Quarters)

Other Internal Audit functions and services:

- Secretariat of the Audit Committee
- Management meetings
- Facilitation of Combined Assurance
- Review on the Identification of employees possibly performing remunerative work outside of public service

12. AUDIT COMMITTEE REPORT

The Audit Committee (the Committee) is pleased to present its report for the financial year ended 31 March 2021.

THE AUDIT COMMITTEE RESPONSIBILITY

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

MEMBERSHIP AND ATTENDANCE

The Committee initially comprised of five (5) independent non-executive members listed hereunder at the commencement of the financial year. However, one member resigned, and no new appointments were made for the remainder of the year. More information on the audit committee members is reflected on Annexure A. During the financial year, the Committee met six (6) times, and meeting attendance is reflected below:

Name of Member	Number of meetings attended
# Mrs. M Nkomo (Chairperson)	6 out of 6
Mr. S Majola	6 out of 6
Mr. C. Ogu	6 out of 6
Adv. N van Heerden	5 out of 6
*Mr. M Letsie	1 out of 6

**: Mr. Letsie resigned from the Committee in September 2020*
#: Unfortunately, Ms. Nkomo passed on prior to the signing of this report

THE EFFECTIVENESS OF INTERNAL CONTROL

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

In our review of the Internal Audit reports, certain weaknesses relating to consistency in implementing and monitoring internal controls in the departmental operating activities were identified, and these were brought to attention of management and the Executive Authority. These areas of concern include the following:

- The budget constraints and cuts due to COVID-19. Budget cuts are likely to result in the Department not fully performing on its mandate. We recommend that this matter be escalated to the Provincial Treasury as the custodian of the provincial budget.
- The Committee expressed concern on the absence of stores control in the regional offices, the Committee will continue monitoring progress.

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

THE EFFECTIVENESS OF INTERNAL AUDIT

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

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

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

COMBINED ASSURANCE

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

The objectives of implementing this Combined Assurance Model are to:

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

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

The Committee is satisfied that the implementation of combined assurance is functional and effective. The Committee is satisfied with the self-assessment performed on the combined assurance maturity level of the Department. At year-end, the Department's combined assurance maturity level was at "laying the foundation".

PERFORMANCE INFORMATION

The Committee monitored the implementation of the Department's Annual Performance Plan (APP) in order to eventually achieve its strategic objectives and deliver on its mandate. The Committee has noted the improvement on the timeous submission of Performance Information by the Department.

The Committee is satisfied that the reports on performance information are a fair reflection of the operational status of the Department as set out in the Strategic Plan.

RISK MANAGEMENT

The Department has a separate Risk and Ethics Management Committee chaired by an external independent Chairperson. The Risk and Ethics Management Committee (REMC) provided oversight on the development and implementation of the risk management policies, the risk assessment process, and the development of the strategic risk register as well as ethics management. Management is ultimately responsible for maintaining an effective risk management process and & E: The Committee has assessed the adequacy of the Department's risk management processes, which are guided by a risk management framework and has considered the reports of the Provincial Treasury and of the Chairperson of the REMC, and noted progress made by management to implement the REMC's recommendations.

Based on the assessments by the Provincial Treasury, the Department's risk management processes and risk maturity levels are at an advanced stage.

IN-YEAR MANAGEMENT AND QUARTERLY REPORT

During the year under review, the Department has submitted quarterly and mid-term reports to the Provincial Treasury as required by the PFMA and the Division of Revenue Act No 10 of 2020.

COMPLIANCE

The Committee has reviewed the compliance universe and checklist that were developed by management. Implementation of the planned activities will ensure that the Department reaches its target of timeously complying with all the requisite statutory and regulatory requirements. The Committee is comfortable with management's action plan to comply with regulations on Covid-19 as published.

EVALUATION OF THE FINANCIAL STATEMENTS

- The Audit Committee has reviewed the following:
- The unaudited Annual Financial Statements for the year ended 31 March 2021 to be included in the annual report, We have also reviewed how management has addressed the assurance/review from Provincial Treasury and Internal Audit and has discussed same with the Accounting Officer;
- Information of the unaudited pre-determined objectives to be included in the 2020/21 annual report;
- The Department's compliance with legal and regulatory provisions.

AUDITOR-GENERAL OF SOUTH AFRICA

The Audit Committee liaised with the Auditor-General South Africa (AGSA) during the period under review. We have reviewed the Department's implementation plan for audit findings raised in the previous year and we are satisfied that the matters have, to a significant extent, been adequately resolved.

The Committee has reviewed the AGSA's report on the annual financial statements and is in agreement with the opinion.

CONCLUSION

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

MR S MAJOLA

CHAIRPERSON: AUDIT COMMITTEE

31 JULY 2021

Annexure A: Table below discloses relevant information on the audit committee members

Annexure A						
Name	**Qualifications**	**Internal or external member**	**If internal, position in the department**	**Date appointed**	**Date Resigned**	**No. of Meetings attended**
Mrs. MMD Nkomo	• B. Com • B. Com (Hons) • M.Com	External	Not applicable (N/A)	Initial appointment: 01st September 2014 Re-appointment: 01st March 2018	Still Active	6 of 6
Adv. N Van Heerden	• Bachelor of Arts (BA) • Bachelor of Law – LLB	External	(N/A)	Appointment date: 01st March 2018	Still active	5 of 6
Mr. S Majola	• Certificate in Theory of Accounting (CTA) • B. Com Honors • Certified Internal Auditor (CIA)	External	(N/A)	Initial appointment: 01st September 2014 Re-appointment: 01st March 2018	Still active	6 of 6
Mr. C Ogu	• Master's in Business Admin (MBA) • Certified Internal Auditor (CIA) • Chartered Accountant (CA) • Bachelor of Science, Honors Degree in Accountancy (B.sc Hons)	External	(N/A)	Appointment date: 01st March 2018	Still active	6 of 6
Mr. M Letsie	• Masters in Land & Property Development Management • Masters in Project Management • B-Tech Quantity Surveying • Diploma in Building Studies	External	(N/A)	Appointment date: 01st March 2018	Resigned 03 September 2020	1 of 6

The Audit Committee continues to operate within its approved charter, which is reviewed annually to ensure relevance. In discharging its functions and delivering on its mandate, the Committee ensures to comply to Section 38(1)(a) of the PFMA and paragraph 3.1 of the Treasury Regulations, through the combined support of all the assurance providers.

13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

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

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	**Response Yes / No**	**Discussion (include a discussion on your response and indicate what measures have been taken to comply)**
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	To the best of my knowledge the Department has not issued any licences, concessions or other authorisations which were undertaken by the Directorate: SCM.
Developing and implementing a preferential procurement policy?	No	The Department has incorporate the objectives of Preferential Procurement Policy Framework Act in its SCM policy as guided by the Preferential Procurement Regulations of 2017 (PPPFA Regulations).
Determining qualification criteria for the sale of state-owned enterprises?	No	To the best of my knowledge this is guided by the Free State Land Administration Act, Act No. 21 of 1998.
Developing criteria for entering into partnerships with the private sector?	No	PFMA, 16.2.1 states that, “Only the accounting officer or the accounting authority of an institution may enter into a PPP agreement on behalf of that institution.” PFMA, 16.3 to 16.10 outlines the process which must be followed should an organ of state want to form a PPP agreement. This includes the registration of the PPP agreement with relevant Treasury, step by step process and approval by such a Treasury.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	PPPFA Regulations of 2017 provides a guideline of how organs of state must achieve the objectives of B-BBEE Act. These guidelines are strictly in relation to the tendering processes and how organs of state may give preference to qualifying enterprises as and when the submit tenders or quotations. • This is the piece of legislation which the Department relies on when creating opportunities for sub – contracting in various projects, including those which are not regulated by the CIDB. The Department also relies on the CIDB Regulations and its methods and procedures for preferential procurement to create preferential procurement opportunities for qualifying enterprises. Determining criteria for awarding of other incentives outside the above legislative framework is possibly undertaken by DESTEA, PT and/or other relevant organs of state.

PART D

HUMAN RESOURCE MANAGEMENT

CONTENTS

1. INTRODUCTION

The information contained in this part of the annual report has been prescribed by the MPSA for all departments in the public service.

2. OVERVIEW OF HUMAN RESOURCES

In addition the PERSAL system is also utilised to pay periodical works such as members of the Audit Committee.

The Department of Public Works and Infrastructure remunerates 1 303 staff members appointed on a permanent, contract and temporary basis inclusive of learners and interns, by utilizing the PERSAL system. In addition the PERSAL system is also utilised to pay periodical works such as members of the Audit Committee. The budget structure consists of 3 budget programmes, namely:

Budget Programmes	Number	Percentage
Programme 1: Administration	176	13.5
Programme 2: Public Works Infrastructure	1 099	84.3
Programme 3: EPWP	28	2.1
Total	***1 303**	**100**

**Excludes periodical workers*

The Department has in all of the relevant positions provided for on the departmental structure developed technical capacity to satisfactory level with registered professionals. This initiative with its strong output on the establishment of social infrastructure is contributing to both the National Development Plan and Free State Vision 2030. During the year under review and despite the impact of COVID-19 and the various lockdowns that commenced on 26 March 2020 and remained in force until the end of the financial year, the Department was able to achieve its adjusted human capital targets.

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

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

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

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

Employee performance management:

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

Employee wellness programmes:

The President on 16 March 2020 after consultation with all relevant parties declared a National State of Disaster due to COVID-19. On 23 March 2020, President Ramaphosa announced an escalation of measures to combat the COVID-19 pandemic.

The Minister of Cooperative Governance and Traditional Affairs (CoGTA) gazetted regulations in terms of Section 27(2) of the Disaster Management Act, 2002 as follows in terms of the various alert risk levels in response to the COVID-19 pandemic.

Alert level	Gazette Number	Date
5	43148	25 March 2020
4	43258	29 April 2020
3	43364	28 May 2020
2	43620	17 August 2020
1	43725	18 September 2020

Alert level 1 came into effect nationally from 00H01 on 21 September 2020. Given the relaxation of the restrictions in the Disaster Management Regulations to alert level 1 as well as the recent reduction in the COVID-19 infection rate and emanating from a FOHOD meeting on 21 September 2020 a collective decision was taken that all employees return to work on 23 September 2020. Thereafter with the implementation of adjusted alert level 3 which came into effect on 29 December 2020 (Notice 44044 of 29 December 2020), the Department applied the 50% attendance principles at all material times for the remainder of the financial year.

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

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

During the COVID-19 pandemic the Department paid special attention to the health and safety protocols applicable in these uncertain times. The Department disinfected all provincial buildings prior to return to work on alert level 3. Thereafter, the Department rendered health and safety protocol services to all the buildings occupied by Public Works and Infrastructure and those provincial buildings housing more than one provincial department during the course of the pandemic. This service was both re-active where positive cases were reported and pro-active as daily preventative cleaning protocols were implemented. As at 31 March 2021 the Department experienced 137 positive cases of COVID-19 with two deaths during the first wave. The second wave which commenced from the third week of December 2020 to the end of March 2021 rendered 33 positive cases with no deaths.

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

Overall the Department recruited 220 employees of which the majority are from the security management occupational classes. Of these 164 are security learners that were appointed on a permanent capacity on salary level 3. This intervention has contributed to both stability, continuity of services and career progression within the security management environment. In addition, the Department focused on capacitating areas that will contribute to good corporate governance and filled the posts of Accounting Officer, Chief Financial Officer, Chief Risk Officer, Assistant Director: Risk Management as well as two posts of Assistant Director responsible for conducting Monitoring and Evaluation. During the course of the financial year appointments were made in the artisan cadres whilst three staff members who acquired professional registration were appointed as professional mechanical engineer, professional engineering technologist and professional architect. This coupled with the filling of posts within the supply chain management environment confirms appointments are made within the applicable human resource priorities. Despite these interventions and due to financial pressures resulting from the COVID-19 pandemic the Department was required to defer the filling of certain vacant posts due to staff turnover to the 2021/2022 financial year thereby increasing the funded vacancy rate.

During the COVID-19 pandemic, the Department noticed the trend at both institutions of higher level and service provider level that training interventions in terms of the principles of the 4IR are moving to distance learning and online interventions. This coupled with the hesitancy of employees to attend formal structured classroom training albeit within the context of the COVID- 19 health and safety protocols is creating a new skills development landscape. However, the Department was still able to achieve its planned skills development interventions. Central to this was the National School of Government's (NSG's) free online training programmes.

Our investment in staff has ensured that the Internal Audit Unit has staff registered at the South African Institute of Internal Auditors. The Auditor–General has recognised this capacity and expertise and were able to rely on Departmental Internal Audit Unit to perform certain functions on their behalf.

The major challenge from an HR perspective is the recruitment of differently-abled persons for the technical and artisans' professions. The Department successfully recruited one employee to complement the skills gap at the new contract management unit that was created during the 2018/19 financial year and is systematically being capacitated, within the confines of the existing COE budget.

Achievements and challenges faced by the department, as well as future human resource plans /goals:

- 1.82% of unskilled employees are disabled
- 3.34% of semi-skilled employees are disabled
- 3.25% of skilled technical employees are disabled
- 3.05% of professionally qualified employees are disabled
- 4% of Senior Managers is disabled
- Disability employees exceed the target of 2% on all salary bands except unskilled
- Disabled employees make up 2.89% of the departmental workforce
- 71.5% of unskilled employees are female
- 48.5% of semi-skilled employees are female
- 44% of skilled technical employees are female
- 48% of professionally qualified employees are female
- 43% of Senior Managers is female (50-50 on Chief Director's level)
- The department amongst its artisan cadre has a workforce that is ageing. This is consistent with the national trend.
- During 2021/22 financial year the Department will review its departmental structure.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 Personnel related expenditure

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

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

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2020 to 31 March 2021

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expen-diture	Average personnel cost per employee (R'000)
ADMINISTRATION	121 221	90 410	1 835	-	74.60	500
EPWP	64 413	17 710	-	-	27.50	632
PUBLIC WORKS INFRASTRUCTURE	1 470 143	309 279	-	-	21.00	281
Total	**1 655 777**	**417 399**	**1 835**	**-**	**25.20**	**319**

Table 3.1.2 Personnel costs by salary band for the period 1 April 2020 to 31 March 2021

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)	30 295	7.26	172	176
Skilled (level 3-5)	145 276	34.81	745	195
Highly skilled production (levels 6-8)	84 839	20.33	203	418
Highly skilled supervision (levels 9-12)	91 676	21.96	126	728
Senior and Top management (levels 13-16)	29 986	7.18	24	1 249
Other: Learnerships	1 292	0.31	9	144
Contract (Levels 1-2)	26 605	6.37	14	1 900
Contract (Levels 3-5)	1 704	0.41	4	426
Contract (Levels 6-8)	2 858	0.68	4	715
Contract (Levels 9-12)	2 576	0.62	2	1 288
Contract other	-	0.00	0	-
Periodical Remunerations	292	0.07	5	58
Total	**417 399**	**100.00**	**1 308**	**7 297**

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2020 to 31 March 2021

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	74 451	18.00	62	0.00	2 687	1.00	5 063	1.00
Public Works Infrastructure	243 351	58.00	0.00	0.00	14 555	3.00	25 458	6.00
EPWP	15 175	4.00	1 310	0.00	454	0.00	589	0.00
TOTAL	**332 977**	**80.00**	**1 372**	**0.00**	**17 696**	**4.00**	**31 110**	**7.00**

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2020 to 31 March 2021

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Lower Skilled (level 1-2)	20 683	5.00	223	0.00	2 409	1.00	4 271	1.00
Skilled (level 3-5)	107 239	26.00	635	0.00	9 865	2.00	17 665	4.00
Highly skilled production (levels 6-8)	66 054	16.00	368	0.00	3 270	1.00	5 808	1.00
Highly skilled supervision (levels 9-12)	78 155	19.00	146	0.00	1 605	0.00	2 927	1.00
Senior management (level 13-16)	26 469	6.00	-	0.00	485	0.00	265	0.00
Other: Learnerships	-	0.00	-	0.00	-	0.00	-	0.00
Contract (Levels 1-2)	1 290	0.00	-	0.00	-	0.00	-	0.00
Contract (Levels 3-5)	26 576	6.00	-	0.00	-	0.00	-	0.00
Contract (Levels 6-8)	1 357	0.00	-	0.00	62	0.00	174	0.00
Contract (Levels 9-12)	2 693	1.00	-	0.00	-	0.00	-	0.00
Contract (Levels 13-16)	2 461	1.00	-	0.00	-	0.00	-	0.00
Contract other	-	0.00	-	0.00	-	0.00	-	0.00
Total	**332 977**	**80.00**	**1 372**	**0.00**	**17 696**	**4.00**	**31 110**	**7.00**

3.2 Employment and Vacancies

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

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

This information is presented in terms of three key variables:

- Programme
- Salary band
- Critical occupations (see definition in notes below).

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

Table 3.2.1 Employment and vacancies by programme as on 31 March 2021

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	223	176	21.10	0
EPWP	34	28	17.60	0
Public Works Infrastructure	1 335	1 099	17.70	0
Total	**1 592**	***1 303**	**18.20**	**0**

**Excludes periodical workers who are paid through PERSAL.*

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2021

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	234	172	26.50	0
Skilled(3-5)	856	745	13.90	0
Highly skilled production (6-8)	274	203	25.90	0
Highly skilled supervision (9-12)	160	126	21.30	0
Senior management (13-16)	26	24	7.70	0
Other, Permanent	0	0	0.00	0
Contract (Levels 1-2) Permanent	9	9	0.00	0
Contract (Levels 3-5) Permanent	14	14	0.00	0
Contract (Levels 6-8) Permanent	4	4	0.00	0
Contract (Levels 9-12) Permanent	4	4	0.00	0
Contract (Levels >=13) Permanent	2	2	0.00	0
Total	**1 592**	**1 303**	**18.20**	**0**

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2021

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
All Artisans In The Building Metal Machinery Etc.	143	103	28.00	0
Architects Town And Traffic Planners	4	3	25.00	0
Artisan Project And Related Superintendents	13	12	7.70	0
Engineering Sciences Related	8	7	12.50	0
Engineers And Related Professionals	22	15	31.80	0
Inspectors Of Apprentices Works And Vehicles	72	57	20.80	0
Quantity Surveyors & Rela Prof not class elsewhere	9	8	11.10	0
Total	**271**	**205**	**24.40**	**0**

3.3 Filling of SMS Posts

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

Table 3.3.1 SMS post information as on 31 March 2021

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Salary Level 15	1	0	0	1	100
Salary Level 14	6	5	83	*1	16.6
Salary Level 13	18	17	94	*1	5.5
Total	**26**	**23**	**88**	**3**	**11.5**

**Both posts were vacated due to transfer*

Table 3.3.2 SMS post information as on 30 September 2020

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	0	0	1	100
Salary Level 16	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Salary Level 15	1	1	100	0	0
Salary Level 14	6	5	83	1	16.6
Salary Level 13	18	17	94	0	5.5
Total	**26**	**23**	**88**	**2**	**11.5**

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2020 to 31 March 2021

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

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 2020 to 31 March 2021

Reasons for vacancies not advertised within six months
Not applicable. Posts were re-advertised

Reasons for vacancies not filled within twelve months
Not applicable

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 2020 to 31 March 2021

Reasons for vacancies not advertised within six months
Not applicable

Reasons for vacancies not filled within six months
No suitable candidates

3.4 Job Evaluation

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

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2020 to 31 March 2021

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels1-2)	234	0	0.00	0	0.00	0	0.00
Skilled (Levels 3-5)	865	0	0.00	0	0.00	0	0.00
Highly skilled production (Levels 6-8)	274	0	0.00	0	0.00	0	0.00
Highly skilled supervision (Levels 9-12)	160	0	0.00	0	0.00	0	0.00
Senior Management Service Band A	17	0	0.00	0	0.00	0	0.00
Senior Management Service Band B	6	0	0.00	0	0.00	0	0.00
Senior Management Service Band C	1	0	0.00	0	0.00	0	0.00
Senior Management Service Band D	2	0	0.00	0	0.00	0	0.00
Other: Interns	0	0	0.00	0	0.00	0	0.00
Contracts			0.00		0.00		0.00
Contract (Levels 1-2)	9	0	0.00	0	0.00	0	0.00
Contract (Levels 3-5)	14	0	0.00	0	0.00	0	0.00
Contract (Levels 6-8)	4	0	0.00	0	0.00	0	0.00
Contract (Levels 9-12)	4	0	0.00	0	0.00	0	0.00
Contract Band A	2	0	0.00	0	0.00	0	0.00
Total	**1 592**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**

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 2020 to 31 March 2021

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

Employees with a disability	**0**

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 2020 to 31 March 2021

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

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

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2020 to 31 March 2021

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

Employees with a disability	**0**	**0**	**0**	**0**	**0**

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

3.5 Employment Changes

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

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2020 to 31 March 2021

Salary band	Number of employees at beginning of period-1 April 2020	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	177	3	5	2.8
Skilled (Levels 3-5)	611	189	53	8.7
Highly skilled production (Levels 6-8)	209	3	11	5.3
Highly skilled supervision (Levels 9-12)	126	4	3	2.4
Senior Management Service Bands A	17	0	0	0
Senior Management Service Bands B	5	1	0	0
Senior Management Service Bands C	1	0	0	0
Senior Management Service Bands D	1	0	0	0
Contract (Levels 1-2)	9	1	1	11.1
Contract (Levels 3-5)	180	1	167	92.8
Contract (Levels 6-8)	4	0	0	0
Contract (Levels 9-12)	4	2	2	50
Contract Band A	2	0	0	0
Contract Band D	0	0	0	0
Total	**1 346**	**204**	**242**	**18**

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2020 to 31 March 2021

Critical occupation	Number of employees at beginning of period-April 2020	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
All Artisans In The Building Metal Machinery Etc.	114	2	14	10
Architects Town and Traffic Planners	2	0	0	0
Artisan Project and Related Superintendents	12	0	0	0
Engineering Sciences Related	7	0	0	0
Engineers and Related Professionals	14	0	0	0
Inspectors Of Apprentices Works and Vehicles	58	0	1	1
Quantity Surveyors & Rela Prof not class else-where	8	0	0	0
TOTAL	**215**	**2**	**15**	**6**

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 2020 to 31 March 2021

Termination Type	Number	% of Total Resignations
Death	13	5.4
Resignation	24	9.9
Expiry of contract	167	69
Dismissal – operational Charges	0	0.
Dismissal – misconduct	3	1.2
Dismissal - inefficiency	0	0
Discharged due to ill-health	0	0
Retirement	35	14.5
Transfer to the other Public Service Departments	0	0
Other	0	0
Total	**242**	**100**
Total number of employees who left as a % of total employment		

Table 3.5.4 Promotions by critical occupation for the period 1 April 2020 to 31 March 2021

Occupation	Employees 1 April 2020	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
All Artisans in the Building Metal Machinery Etc.	114	13*	11	56	49
Architects Town and Traffic Planners	2	2*	50	2	50
Artisan Project and Related Superintendents	12	0	0	3	25
Engineering Sciences Related	7	0	0	5	71
Engineers and Related Professionals	14	2	14	4	29
Inspectors Of Apprentices Works and Vehicles	58	0	0	44	76
Quantity Surveyors & Rela Prof not class elsewhere	8	0	0	4	50
Senior Managers	25	1	4	15	60
TOTAL	**240**	**18**	7	**133**	55

**includes grade progression in terms of relevant collective agreement and directive as approved by the Minister for the Public Service and Administration*

Table 3.5.5 Promotions by salary band for the period 1 April 2020 to 31 March 2021

Salary Band	Employees 1 April 2020	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)	117	0	0	109	62
Skilled (Levels3-5)	611	6	1	423	69
Highly skilled production (Levels 6-8)	209	14	6	108	52
Highly skilled supervision (Levels 9-12)	126	8	6	80	63
Senior Management (Level 13-16)	24	1	4	0	0
Contract (Levels 1-2)	9	0	0	3	33
Contract (Levels 3-5)	180	0	0	1	0.6
Contract (Levels 6-8)	4	0	0	2	50
Contract (Levels 9-12)	4	0	0	0	0
Contract (Levels 13)	2	0	0	0	0
Total	**1 346**	**29**	**2**	**726**	**53**

3.6 Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2021

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	12	0	0	1	16	1	0	1	31
Professionals	29	1	1	5	20	3	0	5	64
Technicians and associate professionals	34	1	0	6	59	3	0	9	112
Clerks	37	2	0	5	99	2	0	13	158
Service and sales workers	191	8	0	2	239	2	0	3	445
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	122	3	0	9	38	0	0	0	172
Plant and machine operators and assemblers	4	0	0	0	0	0	0	0	4
Elementary occupations	0	0	0	0	0	0	0	0	0
Labourer and related Workers	122	1	0	1	195	8	0	0	327
Total	**551**	**16**	**1**	**29**	**656**	**19**	**0**	**31**	**1303**
Employees with disabilities	**21**	**0**	**0**	**1**	**12**	**1**	**0**	**3**	**38**

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2021

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	1	0	0	0	2
Senior Management	10	0	0	1	8	2	0	1	22
Professionally qualified and experienced specialists and mid-management	50	1	1	11	53	4	0	6	126
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	93	5	0	16	66	1	0	22	203
Semi-skilled and discretionary decision making	339	9	0	1	390	4	0	2	745
Unskilled and defined decision making	47	0	0	0	117	8	0	0	172
Contract (Senior Management), Permanent	2	0	0	0	0	0	0	0	2
Contract (Professionally qualified), Permanent	2	1	0	0	1	0	0	0	4
Contract (Skilled Technical), Permanent	2	0	0	0	2	0	0	0	4
Contract (Semi-Skilled), Permanent	5	0	0	0	9	0	0	0	14
Contract (Unskilled), Permanent	0	0	0	0	9	0	0	0	9
Total	**551**	**16**	**1**	**29**	**656**	**19**	**0**	**31**	**1 303**
Employees with disabilities	**21**	**0**	**0**	**1**	**12**	**0**	**0**	**4**	**38**

Table 3.6.3 Recruitment for the period 1 April 2020 to 31 March 2021

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	1	0	0	1
Senior Management	1	0	0	0	3	0	0	0	4
Professionally qualified and experienced specialists and mid-management	2	0	0	0	1	0	0	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	53	0	0	0	136	0	0	0	189
Semi-skilled and discretionary decision making	8	0	0	0	7	1	0	0	16
Unskilled and defined decision making	1	0	0	0	0	0	0	0	1
Other									
Contract (Senior Management), Permanent	1	0	0	0	0	0	0	0	1
Contract (Professionally qualified), Permanent	1	1	0	0	0	0	0	0	2
Contract (Skilled Technical), Permanent	0	0	0	0	0	0	0	0	0
Contract (Semi-Skilled), Permanent	1	0	0	0	0	0	0	0	1
Contract (Unskilled), Permanent	0	0	0	0	1	0	0	0	1
Total	**69**	**1**	**0**	**0**	**148**	**2**	**0**	**0**	**220**
Employees with disabilities	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Table 3.6.4 Promotions for the period 1 April 2020 to 31 March 2021

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	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	35	1	0	5	31	2	0	6	80
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	48	2	0	6	49	0	0	3	108
Semi-skilled and discretionary decision making	204	4	0	0	211	4	0	0	423
Unskilled and defined decision making	30	0	0	0	76	3	0	0	109
Contract (Professionally qualified), Permanent	0	0	0	0	0	0	0	0	0
Contract (Skilled Technical), Permanent	1	0	0	0	1	0	0	0	2
Contract (Semi-Skilled), Permanent	0	0	0	0	1	0	0	0	1
Contract (Unskilled), Perma-nent	0	0	0	0	2	0	0	0	2
Total	**319**	**7**	**0**	**11**	**371**	**9**	**0**	**9**	**726**
Employees with disabilities	**16**	**0**	**0**	**1**	**12**	**1**	**0**	**1**	**31**

the disability statistics are included in the total of 726.

Table 3.6.5 Terminations for the period 1 April 2020 to 31 March 2021

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	2	0	0	0	0	1	0	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	6	0	0	1	0	2	0	0	9
Semi-skilled and discretionary decision making	20	1	0	0	0	32	0	0	53
Unskilled and defined decision making	2	0	0	0	0	3	0	0	5
Contract (Top Management), Permanent	0	0	0	0	0	0	0	0	0
Contract (Senior Management), Permanent	0	0	0	0	0	0	0	0	0
Contract (Professionally qualified), Permanent	1	0	0	0	0	1	0	0	2
Contract (Skilled Technical), Permanent	0	0	0	0	0	0	0	0	0
Contract (Semi-Skilled), Permanent	42	0	0	0	0	125	0	0	167
Contract (Unskilled), Permanent	0	0	0	0	0	1	0	2	3
Total	**73**	**1**	**0**	**1**	**0**	**165**	0	**2**	**242**
Employees with Disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.6 Disciplinary action for the period 1 April 2020 to 31 March 2021

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Theft of state property	0	0	0	0	3	0	0	0	3
Assault of supervisor/ Insubordination	1	0	0	0	0	0	0	0	1
Sexual Harassment	1	0	0	0	0	0	0	0	1
Assault of junior staff member	1	0	0	0	0	0	0	0	1
Assault of manager	1	0	0	0	0	0	0	0	1
Absenteeism and report under the influence of alcohol	1	0	0	0	0	0	0	0	1
Insubordination	0	0	0	0	1	0	0	0	1
Abscondment	0	0	0	0	2	0	0	0	2
Fraud	1	0	0	0	3	0	0	0	4
Negligent performing of duties	3	0	0	0	1	0	0	0	4
Total	**9**	**0**	**0**	**0**	**10**	**0**	**0**	**0**	**19**

Table 3.6.7 Skills development for the period 1 April 2020 to 31 March 2021

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	2	0	0	0	2	0	0	0	4
Professionals	4	0	0	4	4	0	0	2	14
Technicians and associate professionals	10	1	0	0	15	1	0	2	29
Clerks	19	0	0	3	36	3	0	7	68
Service and sales workers	12	0	0	0	12	0	0	0	24
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	2	0	0	0	5	0	0	1	8
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	16	0	0	0	41	0	0	0	57
Total	**65**	**1**	**0**	**7**	**115**	**4**	**0**	**12**	**204**
Employees with disabilities	**3**	**0**	**0**	**0**	**4**	**0**	**0**	**0**	**7**

3.7 Signing of Performance Agreements by SMS Members

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

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2020

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	0	0	1 (Acting HOD, not applicable)	0
Salary Level 16	Not applicable	Not applicable	Not applicable	Not applicable
Salary Level 15	1	1	1	100
Salary Level 14	6	6	5*	100
Salary Level 13	19	19	19	100
Total	**26**	**26**	**25**	**100**

(*) CFO appointed on 1 March 2021. Performance Agreement not required. First performance agreement is due 31 May 2021. Therefore 100% of those required to conclude did so. DDG (salary level 15) was acting HOD and concluded an appropriate agreement in terms of prescripts. Note post of HOD was filled on 1 October 2020. Performance agreement was concluded and submitted to Department of the Premier as prescribed.

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 2020. Due to COVID-19 extension was granted to all SMS to conclude performance agreements to 31 July 2020.**

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

Reasons
CFO appointed on 1 March 2021. Performance Agreement not required. First Performance Agreement is due 31 May 2021. Therefore 100% of those required to conclude did so.

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 2021

Reasons
Not applicable

Notes

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

3.8 Performance Rewards

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

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2020 to 31 March 2021

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Female	106	644	16.50	1 458	13 756
Male	90	530	17.00	1 145	12 731
Asian					
Female	0	0	0.00	-	0
Male	0	1	0.00	-	0
Coloured					
Female	3	18	16.70	49	16 655
Male	5	16	31.30	45	9 142
White					
Female	13	28	46.40	200	15 434
Male	8	28	28.60	208	26 071
Employees with a disability	*7*	*38*	*18.40*	*75*	*10 755*
Total	**232**	**1 303**	**17.80**	**3 184**	**13 724**

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2020 to 31 March 2021

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)	16	172	9.30	87	5 495	3
Skilled (level 3-5)	119	745	16.00	886	7 447	28
Highly skilled production (level 6-8)	48	203	23.60	678	14 132	21
Highly skilled supervision (level 9-12)	47	126	37.30	1 504	32 019	47
Other: Learners						0
10 Contract (Levels 1-2)	0	9	0.00	-	0	0
11 Contract (Levels 3-5)	0	14	0.00	-	0	0
12 Contract (Levels 6-8)	2	4	50.00	26	13 332	1
13 Contract (Levels 9-12)	0	4	0.00	-	0	0
Total	**232**	**1 277***	**18.20**	**3 184**	**13 724**	**100**

**number of staff that qualified for assessment for performance rewards*

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2020 to 31 March 2021

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
All Artisans in the Building Metal Machinery etc.	7	103	6.80	115	16 516
Architects Town and Traffic Planners	0	2	0	-	0
Artisan Project and Related Superintendents	2	12	16.70	39	19 911
Electrical and Electronics Engineering Technicians	0	1	0	-	0
Engineering Sciences Related	0	7	0	-	0
Engineers and Related Professionals	3	15	20	101	33 710
Inspectors of Apprentices Works and vehicles	4	57	7	56	14 184
Quantity Surveyors & Rela Prof not class elsewhere	1	8	12.50	46	46 287
Total	**17**	**205**	**8.30**	**359**	**13 060**

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2020 to 31 March 2021

Salary band	Beneficiary Profile			Cost		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	0	0	-	0	0
Band B	0	0	0	-	0	0
Band C	0	0	0	-	0	0
Band D	0	0	0	-	0	0
Total	**0**	**0**	**0**	**-**	**0**	**0**

**Only pay progression was paid to the SMS. No cash bonuses. See table 3.5.4*

3.9 Foreign Workers

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

Table 3.9.1 Foreign workers by salary band for the period 1 April 2020 to 31 March 2021

Salary band	01 April 2020		31 March 2021		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled (Level 1-2)	0	0	0	0	0	0.00
Skilled production (Level 3-5)	2	50.00	2	50.00	0	0.00
Highly skilled production (Level 6-8)	0	0.00	0	0.00	0	0.00
Highly skilled supervision (Level 9-12)	2	50.00	2	50.00	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	**4**	**100.00**	**4**	**100.00**	**0**	**0.00**

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2020 to 31 March 2021

Major occupation	01 April 2020		31 March 2021		Change	
	Number	% of total	Number	% of total	Number	% Change
Craft and related trades workers	1	25.00	1	25.00	0	0.00
Elementary occupations	1	25.00	1	25.00	0	0.00
Professionals and managers	2	50.00	2	50.00	0	0.00
TOTAL	**4**	**100.00**	**4**	**100.00**	**0**	**0.00**

3.10 Leave utilisation

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

Table 3.10.1 Sick leave for the period 1 January 2020 to 31 December 2020

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skilled (Level 1-2)	885	91.40	121	12.7	7.0	348
Skilled (levels 3-5)	3 022	87.50	404	42.3	7.0	2 468
Highly skilled production (levels 6-8)	899	84.90	134	14	7.0	1 310
Highly skilled supervision (levels 9 -12)	519	89.20	75	7.9	7.0	1 452
Top and Senior management (levels 13-16)	80	98.80	8	0.8	0.8	504
Contract (Levels 1-2)	168	55.40	77	8.1	2.0	91
Contract (Levels 3-5)	729	66.10	133	13.9	5.0	470
Contract (Levels 6-8)	8	100.00	1	0.1	8.0	11
Contract Other	6	100.00	2	0.2	3.0	2
Total	**6 316**	**84.60**	**955**	**100.00**	**7.0**	**6 656**

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2020 to 31 December 2020

Salary band	Total days	% Days with Medical certification	Number of Employ-ees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	177	100	4	26.70	44	98
Skilled (Levels 3-5)	666	100	7	46.70	95	494
Highly skilled production (Levels 6-8)	0	0	0	0	0	-
Highly skilled supervision (Levels 9-12)	129	100	2	13.30	65	364
Senior management (Levels 13-16)	243	100	2	13.30	122	1 032
Total	**1 215**	**100**	**15**	**100.00**	**81**	**1 987**

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 2020 to 31 December 2020

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	4 679	172	16
Skilled Levels 3-5)	14 960	755	22
Highly skilled production (Levels 6-8)	4 877	206	23
Highly skilled supervision(Levels 9-12)	2 727	127	20
Senior management (Levels 13-16)	443	24	19
Contract (Levels 1-2)	27	9	3
Contract (Levels 13-16)	20	14	10
Contract (Levels 3-5)	81	4	20
Contract (Levels 6-8)	73	4	18
Contract (Levels 9-12)	25	2	13
Total	**27 894**	**1 317***	**19**

**Staff employed as at 31 December 2020.*

Table 3.10.4 Capped leave for the period 1 January 2020 to 31 December 2020

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 2021
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	13	2	7	50
Highly skilled supervision(Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	20.25	6	3	50
Total	**33.25**	**8**	**10**	**100**

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 2020 to 31 March 2021

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2020/21 due to non-utilisation of leave for the previous cycle	-	0	-
Capped leave payouts on termination of service for 2020/21	1 811	42	43 119
Current leave payout on termination of service for 2020/21	1 166	47	24 809
Total	**2 977**	**89**	**69 928**

3.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

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

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

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2016? If so, provide her/his name and position.	Yes		Stan Diakos: Director Human Resources Management.
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		Employee Health and Wellness unit. Presently the unit has Employee Health and Wellness office.
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		Assistance with psychosocial and work life balance challenges to employees and their immediate family – Employee Assistance Programme. Health programmes are aligned with National Health calendar. Needs analysis is done on a monthly basis. Awareness, roadshows, presentations and health screenings are done. Priority focus during 2020/2021 was COVID-19.
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	Yes		Wellness officers are nominated in Districts for the smooth running of Health and Wellness programmes.
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		• HIV/AIDS, STI and TB management policy. • Health and Productivity Management policy • Wellness Management policy All of the above mentioned policies do not discriminate against employees on the basis of their HIV status.
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		The policies states clearly how the Department deals with such incidence.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	Yes		VHCT is conducted with the help of GEMS nurses periodically and confidentiality of results are safeguarded.
8. Has the department developed measures/ indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Yes		Provision for health promotion programs to employees at all levels in all the districts.

3.12 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2020 to 31 March 2021

Subject matter	Date
Total number of collective agreements	**Not applicable**

Notes

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

Total number of collective agreements	**Not applicable**

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 2020 to 31 March 2021

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning (Informal disciplinary action)	0	0
Final written warning (Informal disciplinary action)	6	43
Final written warning and Corrective Counselling (Formal Hearing)	1	7
Suspended without pay	0	0
Fine	0	0
Demotion	2	14
Dismissal	5	36
Not guilty	0	0
Case withdrawn	0	0
Total	**14**	**100**

Notes

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

Total number of informal disciplinary cases finalized	**6**
Total number of Disciplinary hearings finalised	**3**
Total number of disciplinary cases pending	**11**

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2020 to 31 March 2021

Type of misconduct	Number	% of total
Theft of state property	3	17
Assault of supervisor/Insubordination	1	5
Sexual Harassment	1	5
Assault of junior staff member	1	5
Assault of manager	1	5
Absenteeism and report under the influence of alcohol	1	5
Insubordination	1	5
Abscondment	2	11
Fraud	4	21
Negligent performing of duties	4	21
Total	**19**	**100**

Table 3.12.3.1 Total misconduct cases for the period 1 April 2020 - 31 March 2021

Type of misconduct	Number of cases outstanding 01 April 2020	Number of cases added in 2020/21	Number of cases finalised in 2020/21	Number of Cases out-standing 31 March 2021
Theft of state property	3	0	3	0
Assault of supervisor/Insubordination	0	1	1	0
Sexual Harassment	0	1	0	1
Absenteeism and report under the influence of alcohol	0	1	0	1
Insubordination	0	1	0	1
Abscondment	0	2	2	0
Fraud	4	0	0	4
Assault of junior staff member	1	0	1	0
Assault of manager	1	0	1	0
Negligent performing of duties	0	4	0	4
TOTAL	**9**	**10**	**8**	**11**

Table 3.12.4 Grievances logged for the period 1 April 2020 to 31 March 2021

Grievances	Number	% of Total
Number of grievances resolved	8	62
Number of grievances not resolved	5	38
Total number of grievances lodged	**13**	**100**

Table 3.12.5 Disputes logged with Councils for the period 1 April 2020 to 31 March 2021

Disputes	Number	% of Total
Number of disputes pending	5	62
Number of disputes dismissed	3	38
Total number of disputes lodged	**8**	**100**

Table 3.12.6 Strike actions for the period 1 April 2020 to 31 March 2021

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

Table 3.12.7 Precautionary suspensions for the period 1 April 2020 to 31 March 2021

Number of people suspended	10
Number of people whose suspension exceeded 30 days	10
Average number of days suspended	315 Days
Cost of suspension(R'000)	R 1 582 000

3.13 Skills development

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

Table 3.13.1 Training needs identified for the period 1 April 2020 to 31 March 2021

Occupational category	Gender	Training needs identified at start of the reporting period			
		Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	0	1	1	2
	Male	0	1	1	2
Professionals	Female	0	5	5	10
	Male	0	15	2	17
Technicians and associate professionals	Female	0	25	4	29
	Male	0	10	3	13
Clerks	Female	0	85	30	115
	Male	0	15	5	20
Service and sales workers	Female	0	10	3	13
	Male	0	10	1	11
Skilled agriculture and fishery workers	Female	0	0	0	0
	Male	0	0	0	0
Craft and related trades workers	Female	0	15	2	17
	Male	0	10	0	10
Plant and machine operators and assemblers	Female	0	0	0	0
	Male	0	0	0	0
Elementary occupations	Female	0	50	0	50
	Male	0	25	6	31
Sub Total	Female	0	191	45	236
	Male	0	86	18	104
Total		**0**	**277**	**63**	**340**

Table 3.13.2 Training provided for the period 1 April 2020 to 31 March 2021

Occupational category	Gender	Training Provided			
		Learnerships	Skills Programmes & other short courses	Other	Total
Legislators, senior officials and managers	Female	0	1	1	2
	Male	0	1	1	2
Professionals	Female	0	1	5	6
	Male	0	6	2	8
Technicians and associate professionals	Female	0	14	4	18
	Male	0	8	3	11
Clerks	Female	0	16	30	46
	Male	0	17	5	22
Service and sales workers	Female	0	9	3	12
	Male	0	11	1	12
Craft and related trades workers	Female	0	4	2	6
	Male	0	2	0	2
Plant and machine operators and assemblers	Female	0	0	0	0
	Male	0	0	0	0
Elementary occupations	Female	0	41	0	41
	Male	0	10	6	16
Sub Total	**Female**	**0**	**86**	**45**	**131**
	Male	**0**	**55**	**18**	**73**
Total		**0**	**141**	**63**	**204**

3.14 Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2020 to 31 March 2021

Nature of injury on duty	Number	% of total
Required basic medical attention only	5	100
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	**5**	**100**

3.15 Utilisation of Consultants

The following tables relate to 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 2020 to 31 March 2021

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Health Risk Manager	1 (Thandile)	12 months	R178,000
SAQA	1	12 months	R51,000

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

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2020 to 31 March 2021

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

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2020 to 31 March 2021

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

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

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2020 to 31 March 2021

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

3.16 Severance Packages

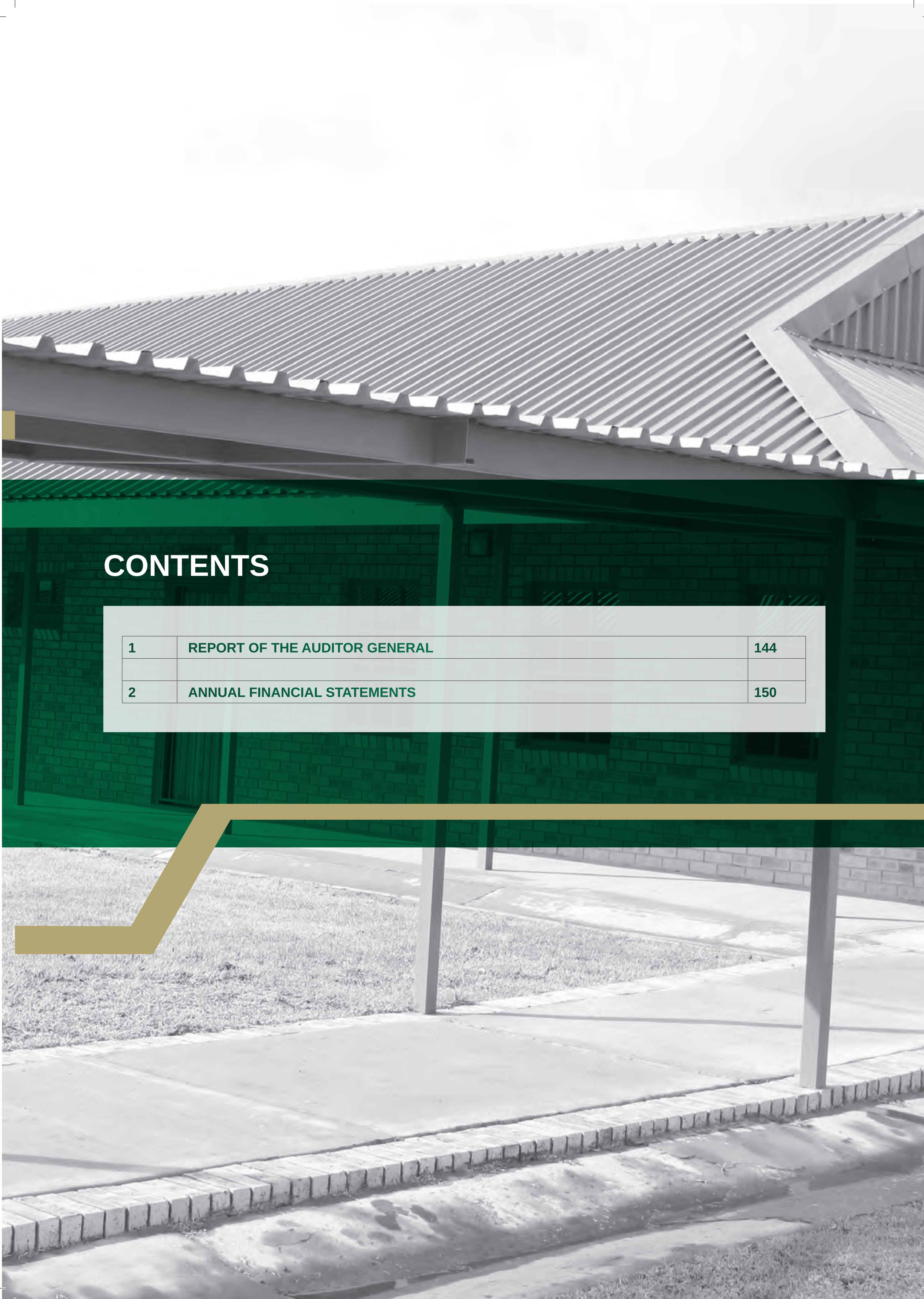
Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2020 to 31 March 2021

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (Levels 1-2)	Not Applicable			
Skilled (Levels 3-5)				
Highly skilled production (Levels 6-8)				
Highly skilled supervision (Levels 9-12)				
Senior management (Levels 13-16)				
Total	0	0	0	0

The department did not grant any severance package in 2020/2021 financial year.

PART E

FINANCIAL INFORMATION



CONTENTS

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

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Public Works and Infrastructure set out on pages 152 to 232 which comprise the appropriation statement, statement of financial position as at 31 March 2021, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Public Works and Infrastructure as at 31 March 2021 and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 10 of 2020) (Dora).

Basis for opinion

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

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

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

Material uncertainty relating to going concern

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

7. As disclosed in notes 18 and 19 to the financial statements, the department had significant outstanding accruals of R28 492 000, payables not recognised of R1 098 519 000 and capital commitments of R119 761 000, as at 31 March 2021. As stated in note 19, these events or conditions, along with other matters as set forth in note 19 indicate that a material uncertainty exists, that may cast significant doubt on the department's ability to continue as a going concern.

Emphasis of matters

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

Contingent liabilities

9. As disclosed in note 17.1 to the financial statements, the department is the defendant in various legal claims. The ultimate outcome of these matters could not be determined and no provision for any liability that may result was made in the financial statements.

Contingent assets

10. With reference to notes 17.2 to the financial statements, the department entered into an agreement in the 2016-17 year to dispose of a land parcel to the value of R48 000 000 identified for the development of the Free State Sport and Science Institute. According to the deed of sale, the purchaser would pay the department a cash amount of R28 000 000 and install bulk infrastructure on the property of at least R20 000 000. If the value of the bulk infrastructure is less than R20 000 000, the purchaser would pay the department the balance between R20 000 000 and the value of the bulk infrastructure at completion of the project. As at 31 March 2021, the R28 000 000 cash portion had been paid, while the ultimate outcome of the remaining R20 000 000 for the bulk infrastructure will be determined upon completion of the project.

Payables not recognised

11. As disclosed in note 19.2 to the financial statements, payables not recognised of R1 067 856 000 exceeded the payment term of 30 days, contrary to treasury regulation 8.2.3. This amount, in turn, exceeded the R2 883 000 of voted funds to be surrendered by R1 064 973 000 as per the statement of financial performance. The amount of R1 064 973 000 would therefore have constituted unauthorised expenditure had the amounts due been paid in time.

Restatement of corresponding figures.

12. As disclosed in note 31 to the financial statements, the corresponding figures for 31 March 2020 were restated as a result of an error in the financial statements of the department at, and for the year ended, 31 March 2021.

Other matter

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

Unaudited supplementary schedules

14. The supplementary information set out on pages 233 to 244 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 thereon.

Responsibilities of the accounting officer for the financial statements

15. 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.

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

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

17. 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.

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

Report on the audit of the annual performance report

Introduction and scope

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

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

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

Programme	Pages in the annual performance report
Programme 2 – public works infrastructure	55 – 69

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

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

- Programme 2 – public works infrastructure.

Other matters

24. I draw attention to the matters below.

Achievement of planned targets

25. Refer to the annual performance report on pages 55 to 69 for information on the achievement of planned targets for the year and management's explanations provided for the under-/over-achievement of targets.

Adjustment of material misstatements

26. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of programme 2 – public works infrastructure. As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.

Report on the audit of compliance with legislation

Introduction and scope

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

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

Expenditure management

29. Payments were not made within 30 days or an agreed period after receipt of an invoice, as required by treasury regulation 8.2.3. The majority of the payments not made within 30 days pertained to payments made in relation to municipal accounts.

Strategic planning and performance management

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

Other information

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

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

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

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

Internal control deficiencies

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

36. Management did not prepare regular, accurate and complete performance reports that are supported and evidenced by reliable information, which resulted in material adjustments on the reported achievements of the approved indicators in the financial year under audit.

37. Management did not effectively review and monitor compliance with applicable laws and regulations due to slow response in addressing the compliance matters reported in the prior years.

Other reports

38. I draw attention to the following engagements conducted by the Auditor-General of South Africa, which had, or could have, an impact on the matters reported in the department's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements, or my findings on the reported performance information or compliance with legislation.

39. At the request of the member of the executive committee for finance in the province, a special audit was performed into the procurement processes and financial transactions of the legislature's building project for both the Free State Legislature and the Department of Public Works and Infrastructure for the financial years 2010-11, 2011-12, 2012-13 and 2013-14. The special audit had not been finalised at the date of this auditor's report.

Auditor-General

Bloemfontein
31 July 2021

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general's responsibility for the audit

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

Financial statements

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

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

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

CONTENTS

Appropriation per programme

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1. Administration	122 807	-	(1 403)	121 404	121 221	183	99.8%	124 339	124 154
2. Public Works Infrastructure	1 469 019	-	3 560	1 472 579	1 470 143	2 436	99.8%	1 506 200	1 503 337
3. Expanded Public Works Programme	66 834	-	(2 157)	64 677	64 413	264	99.6%	172 300	171 977
TOTAL	**1 658 660**	**-**	**-**	**1 658 660**	**1 655 777**	**2 883**	**99.8%**	**1 802 839**	**1 799 468**
Reconciliation with statement of financial performance									
ADD									
Departmental receipts				-				-	
NRF Receipts				-				-	
Aid assistance				-				-	
Actual amounts per statement of financial performance (total revenue)				**1 658 660**				**1 802 839**	
ADD									
Aid assistance					-				-
Prior year unauthorised expenditure approved without funding					-				-
Actual amounts per statement of financial performance (total expenditure)					**1 655 777**				**1 799 468**

Appropriation per economic classification									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**1 147 634**	**(1 273)**	**8 534**	**1 154 895**	**1 153 981**	**914**	**99.9%**	**1 283 258**	**1 280 881**
Compensation of employees	425 196	-	(7 596)	417 600	417 399	201	100.0%	425 770	425 598
Salaries and wages	360 684	-	(8 492)	352 192	352 045	147	100.0%	362 047	361 928
Social contributions	64 512	-	896	65 408	65 354	54	99.9%	63 723	63 670
Goods and services	722 438	(1 273)	16 130	737 295	736 582	713	99.9%	857 488	855 283
Administrative fees	185	1 841	(23)	2 003	1 989	14	99.3%	2 830	2 812
Advertising	350	(100)	-	250	249	1	99.6%	915	914
Minor assets	788	(114)	(322)	352	349	3	99.1%	304	295
Audit costs: External	8 451	(281)	(576)	7 594	7 593	1	100.0%	6 720	6 720
Bursaries: Employees	1 397	238	(16)	1 619	1 618	1	99.9%	2 240	2 239
Catering: Departmental activities	30	-	(30)	-	-	-	-	518	509
Communication (G&S)	2 406	(168)	(195)	2 043	2 001	42	97.9%	2 578	2 551
Computer services	7 602	195	(102)	7 695	7 692	3	100.0%	3 638	3 636
Consultants: Business and advisory services	9 110	2 004	(64)	11 050	11 047	3	100.0%	5 380	5 379
Infrastructure and planning services	3 086	(2 000)	(1 086)	-	-	-	-	-	-
Legal services	2 868	-	(1 180)	1 688	1 687	1	99.9%	602	602
Contractors	67 504	(24 746)	(72)	42 686	42 310	376	99.1%	552	544
Agency and support / outsourced services	-	22 953	-	22 953	22 951	2	100.0%	30 415	30 413
Fleet services	4 264	29	(439)	3 854	3 816	38	99.0%	5 959	5 948
Inventory: Clothing material and supplies	2 811	341	(206)	2 946	2 941	5	99.8%	1 746	1 744

Appropriation per economic classification (Continued)	2020/21							2019/20	
	Adjusted Appropria-tion	Shifting of Funds	Virement	Final Appropria-tion	Actual Expendi-ture	Variance	Expendi-ture as % of final ap-propriation	Final Appropria-tion	Actual expendi-ture
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Farming supplies	467	8	(2)	473	472	1	99.8%	432	183
Inventory: Fuel, oil and gas	150	16	1	167	165	2	98.8%	440	439
Inventory: Materials and supplies	3 697	(26)	7	3 678	3 669	9	99.8%	6 389	6 196
Inventory: Other supplies	1 106	(126)	(216)	764	763	1	99.9%	833	833
Consumable supplies	609	(289)	(42)	278	262	16	94.2%	1 144	1 123
Consumable: Stationery, printing and office supplies	1 199	(87)	(256)	856	835	21	97.5%	1 219	1 188
Operating leases	260 327	(1 244)	(1 833)	257 250	257 239	11	100.0%	231 959	231 951
Property payments	327 389	35	25 194	352 618	352 516	102	100.0%	485 272	483 800
Transport provided: Departmental activity	-	-	-	-	-	-	-	245	244
Travel and subsistence	3 210	132	(289)	3 053	3 016	37	98.8%	9 397	9 300
Training and development	9 434	-	(1 801)	7 633	7 633	-	100.0%	54 906	54 894
Operating payments	1 344	116	(257)	1 203	1 183	20	98.3%	783	756
Venues and facilities	-	-	-	-	-	-	-	65	63
Rental and hiring	2 654	-	(65)	2 589	2 586	3	99.9%	7	7
Transfers and subsidies	**440 915**	**-**	**(828)**	**440 087**	**440 070**	**17**	**100.0%**	**434 331**	**433 163**
Provinces and municipalities	436 245	-	-	436 245	436 235	10	100.0%	429 760	428 601
Municipalities	436 245	-	-	436 245	436 235	10	100.0%	429 760	428 601
Municipal bank accounts	436 245	-	-	436 245	436 235	10	100.0%	429 760	428 601

Appropriation per economic classification (Continued)									
	2020/21							2019/20	
	Adjusted Appropria-tion	Shifting of Funds	Virement	Final Appropria-tion	Actual Expendi-ture	Variance	Expendi-ture as % of final ap-propriation	Final Appropria-tion	Actual expendi-ture
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Departmental agencies and accounts	18	-	(12)	6	5	1	83.3%	6	6
Departmental agencies and accounts	18	-	(12)	6	5	1	83.3%	6	6
Households	4 652	-	(816)	3 836	3 830	6	99.8%	4 565	4 556
Social benefits	4 191	44	(523)	3 712	3 707	5	99.9%	4 525	4 517
Other transfers to households	461	(44)	(293)	124	123	1	99.2%	40	39
Payments for capital assets	**70 111**	**1 273**	**(7 706)**	**63 678**	**61 654**	**2 024**	**96.8%**	**85 250**	**85 226**
Buildings and other fixed structures	56 497	-	-	56 497	54 478	2 019	96.4%	79 179	79 164
Buildings	45 072	-	-	45 072	43 284	1 788	96.0%	13 286	13 281
Other fixed structures	11 425	-	-	11 425	11 194	231	98.0%	65 893	65 883
Machinery and equipment	6 694	1 045	(806)	6 933	6 928	5	99.9%	6 071	6 062
Other machinery and equipment	6 694	1 045	(806)	6 933	6 928	5	99.9%	6 071	6 062
Land and subsoil assets	6 900	-	(6 900)	-	-	-	-	-	-
Software and other intangible assets	20	228	-	248	248	-	100.0%	-	-
Payments for financial assets	**-**	**-**	**-**	**-**	**72**	**(72)**	**-**	**-**	**198**
TOTAL	**1 658 660**	**-**	**-**	**1 658 660**	**1 655 777**	**2 883**	**99.8%**	**1 802 839**	**1 799 468**

Programme 1: Administration	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Office of the MEC	8 306	-	(1 145)	7 161	7 154	7	99.9%	11 388	11 381
2. Management of the Department	11 385	-	(196)	11 189	11 172	17	99.8%	11 525	11 487
3. Corporate Support	103 116	-	(62)	103 054	102 895	159	99.8%	101 426	101 286
Total for sub programmes	**122 807**	**-**	**(1 403)**	**121 404**	**121 221**	**183**	**99.8%**	**124 339**	**124 154**
Current payments	**116 970**	**(1 273)**	**(369)**	**115 328**	**115 147**	**181**	**99.8%**	**118 914**	**118 707**
Compensation of employees	90 105	-	379	90 484	90 410	74	99.9%	89 553	89 482
Salaries and wages	77 106	-	141	77 247	77 199	48	99.9%	76 800	76 753
Social contributions	12 999	-	238	13 237	13 211	26	99.8%	12 753	12 729
Goods and services	26 865	(1 273)	(748)	24 844	24 737	107	99.6%	29 361	29 225
Administrative fees	122	3	(20)	105	99	6	94.3%	284	275
Advertising	350	(100)	-	250	249	1	99.6%	915	914
Minor assets	126	(114)	-	12	11	1	91.7%	125	120
Audit costs: External	8 451	(281)	(576)	7 594	7 593	1	100.0%	6 720	6 720
Bursaries: Employees	1 397	238	(16)	1 619	1 618	1	99.9%	2 240	2 239
Catering: Departmental activities	30	-	(30)	-	-	-	-	402	397
Communication (G&S)	2 354	(169)	(154)	2 031	1 990	41	98.0%	2 412	2 410
Computer services	7 602	195	(102)	7 695	7 692	3	100.0%	3 638	3 636
Consultants: Business and advisory services	660	2 004	(64)	2 600	2 598	2	99.9%	426	425
Infrastructure and planning services	-	(2 000)	2 000	-	-	-	-	-	-
Legal services	368	-	71	439	439	-	100.0%	602	602

Programme 1: Administration (Continued)									
	2020/21							2019/20	
	Adjusted Appropri-ation	Shifting of Funds	Virement	Final Appropri-ation	Actual Expendi-ture	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Contractors	26	-	-	26	25	1	96.2%	432	426
Fleet services	726	-	(479)	247	243	4	98.4%	898	893
Consumable supplies	65	(1)	(5)	59	52	7	88.1%	610	599
Consumable: Stationery, printing and office supplies	343	(13)	(108)	222	213	9	95.9%	726	710
Operating leases	2 873	(1 210)	(871)	792	788	4	99.5%	2 311	2 307
Property payments	-	-	-	-	-	-	-	33	33
Transport provided: Departmental activity	-	-	-	-	-	-	-	245	244
Travel and subsistence	489	51	(184)	356	341	15	95.8%	3 549	3 499
Training and development	258	-	(41)	217	217	-	100.0%	2 325	2 324
Operating payments	625	124	(169)	580	569	11	98.1%	418	404
Venues and facilities	-	-	-	-	-	-	-	50	48
Transfers and subsidies	**1 126**	**-**	**(795)**	**331**	**328**	**3**	**99.1%**	**928**	**923**
Departmental agencies and accounts	5	-	(3)	2	1	1	50.0%	6	6
Departmental agencies	5	-	(3)	2	1	1	50.0%	6	6
Households	1 121	-	(792)	329	327	2	99.4%	922	917
Social benefits	828	-	(499)	329	327	2	99.4%	884	880
Other transfers to households	293	-	(293)	-	-	-	-	38	37

Programme 1: Administration (Continued)

	2020/21							2019/20	
	Adjusted Appropria-tion	Shifting of Funds	Virement	Final Appropria-tion	Actual Expendi-ture	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Payments for capital assets	**4 711**	**1 273**	**(239)**	**5 745**	**5 741**	**4**	**99.9%**	**4 497**	**4 493**
Machinery and equipment	4 691	1 045	(239)	5 497	5 493	4	99.9%	4 497	4 493
Other machinery and equipment	4 691	1 045	(239)	5 497	5 493	4	99.9%	4 497	4 493
Software and other intangible assets	20	228	-	248	248	-	100.0%	-	-
Payments for financial assets	**-**	**-**	**-**	**-**	**5**	**(5)**	**-**	**-**	**31**
TOTAL	**122 807**	**-**	**(1 403)**	**121 404**	**121 221**	**183**	**99.8%**	**124 339**	**124 154**

Sub-programme: 1.1 Office of the MEC									
	2020/21							2019/20	
	Adjusted Appropria-tion	Shifting of Funds	Virement	Final Appropria-tion	Actual Expenditure	Variance	Expenditure as % of final appropria-tion	Final Appropria-tion	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**8 306**	**-**	**(1 145)**	**7 161**	**7 153**	**8**	**99.9%**	**10 974**	**10 962**
Compensation of employees	6 665	-	(33)	6 632	6 628	4	99.9%	6 590	6 587
Goods and services	1 641	-	(1 112)	529	525	4	99.2%	4 384	4 375
Transfers and subsidies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**396**	**396**
Households	-	-	-	-	-	-	-	396	396
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**18**	**17**
Machinery and equipment	-	-	-	-	-	-	-	18	17
Payments for financial assets	**-**	**-**	**-**	**-**	**1**	**(1)**	**-**	**-**	**6**
TOTAL	**8 306**	**-**	**(1 145)**	**7 161**	**7 154**	**7**	**99.9%**	**11 388**	**11 381**

Sub-programme: 1.2: Management of the Department									
	2020/21							2019/20	
	Adjusted Appropria-tion	Shifting of Funds	Virement	Final Appropria-tion	Actual Expenditure	Variance	Expenditure as % of final appropria-tion	Final Appropria-tion	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**11 385**	**-**	**(196)**	**11 189**	**11 168**	**21**	**99.8%**	**11 516**	**11 479**
Compensation of employees	10 549	-	4	10 553	10 541	12	99.9%	10 357	10 343
Goods and services	836	-	(200)	636	627	9	98.6%	1 159	1 136
Transfers and subsidies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**9**	**8**
Households	-	-	-	-	-	-	-	9	8
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Machinery and equipment	-	-	-	-	-	-	-	-	-
Payments for financial assets	**-**	**-**	**-**	**-**	**4**	**(4)**	**-**	**-**	**-**
TOTAL	**11 385**	**-**	**(196)**	**11 189**	**11 172**	**17**	**99.8%**	**11 525**	**11 487**

Sub-programme: 1.3: Corporate Support									
	2020/21							2019/20	
	Adjusted Appropria-tion	Shifting of Funds	Virement	Final Appropria-tion	Actual Expenditure	Variance	Expenditure as % of final appropria-tion	Final Appropria-tion	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**97 279**	**(1 273)**	**972**	**96 978**	**96 826**	**152**	**99.8%**	**96 424**	**96 266**
Compensation of employees	72 891	-	408	73 299	73 241	58	99.9%	72 606	72 552
Goods and services	24 388	(1 273)	564	23 679	23 585	94	99.6%	23 818	23 714
Transfers and subsidies	**1 126**	**-**	**(795)**	**331**	**328**	**3**	**99.1%**	**523**	**519**
Departmental agencies and accounts	5	-	(3)	2	1	1	50.0%	6	6
Households	1 121	-	(792)	329	327	2	99.4%	517	513
Payments for capital assets	**4 711**	**1 273**	**(239)**	**5 745**	**5 741**	**4**	**99.9%**	**4 479**	**4 476**
Machinery and equipment	4 691	1 045	(239)	5 497	5 493	4	99.9%	4 479	4 476
Software and other intangible assets	20	228	-	248	248	-	100.0%	-	-
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**25**
TOTAL	**103 116**	**-**	**(62)**	**103 054**	**102 895**	**159**	**99.8%**	**101 426**	**101 286**

Programme 2: Public Works Infrastructure	2020/21							2019/20	
	Adjusted Appropria-tion	Shifting of Funds	Virement	Final Appropria-tion	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropria-tion	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Programme Support	5 841	5	(191)	5 655	5 638	17	99.7%	8 882	8 846
2. Planning	12 384	(26)	(3 071)	9 287	9 279	8	99.9%	10 564	10 549
3. Design	17 602	24	36	17 662	17 655	7	100.0%	19 864	19 843
4. Construction	43 390	-	(90)	43 300	41 510	1 790	95.9%	14 945	14 934
5. Maintenance	169 807	(4)	(7 169)	162 634	162 174	460	99.7%	134 741	133 198
6. Immovable Asset Management	1 024 330	3 573	14 724	1 042 627	1 042 579	48	100.0%	1 139 965	1 138 745
7. Facility Operations	195 665	(3 572)	(679)	191 414	191 308	106	99.9%	177 239	177 222
Total for sub programmes	**1 469 019**	**-**	**3 560**	**1 472 579**	**1 470 143**	**2 436**	**99.8%**	**1 506 200**	**1 503 337**
Current payments	**975 255**	**-**	**11 060**	**986 315**	**985 615**	**700**	**99.9%**	**1 057 980**	**1 056 123**
Compensation of employees	317 020	-	(7 626)	309 394	309 279	115	100.0%	318 635	318 548
Salaries and wages	267 603	-	(8 295)	259 308	259 217	91	100.0%	269 639	269 577
Social contributions	49 417	-	669	50 086	50 062	24	100.0%	48 996	48 971
Goods and services	658 235	-	18 686	676 921	676 336	585	99.9%	739 345	737 575
Administrative fees	60	-	(3)	57	53	4	93.0%	101	95
Minor assets	662	-	(322)	340	338	2	99.4%	179	175
Catering: Departmental activities	-	-	-	-	-	-	-	40	38
Communication (G&S)	52	1	(41)	12	11	1	91.7%	166	141
Consultants: Business and advisory services	8 450	-	-	8 450	8 449	1	100.0%	4 954	4 954
Infrastructure and planning services	3 086	-	(3 086)	-	-	-	-	-	-
Legal Services	2 500	-	(1 251)	1 249	1 248	1	99.9%	-	-
Contractors	42 657	45	(42)	42 660	42 285	375	99.1%	120	118

Programme 2: Public Works Infrastructure (Continued)									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Fleet services	3 309	29	43	3 381	3 348	33	99.0%	4 851	4 847
Inventory: Clothing material and supplies	468	341	(206)	603	600	3	99.5%	264	263
Inventory: Farming supplies	4	8	(2)	10	9	1	90.0%	184	183
Inventory: Fuel, oil and gas	150	16	1	167	165	2	98.8%	440	439
Inventory: Materials and supplies	3 687	(26)	7	3 668	3 659	9	99.8%	6 378	6 196
Inventory: Other supplies	1 106	(126)	(216)	764	763	1	99.9%	833	833
Consumable supplies	538	(288)	(37)	213	205	8	96.2%	76	67
Consumable: Stationery, printing and office supplies	791	(73)	(130)	588	580	8	98.6%	472	459
Operating leases	257 353	(34)	(980)	256 339	256 334	5	100.0%	229 493	229 490
Property payments	327 389	35	25 194	352 618	352 516	102	100.0%	485 163	483 691
Travel and subsistence	2 618	85	(90)	2 613	2 595	18	99.3%	5 285	5 252
Operating payments	701	(13)	(88)	600	592	8	98.7%	339	327
Rental and hiring	2 654	-	(65)	2 589	2 586	3	99.9%	7	7
Transfers and subsidies	**439 789**	**-**	**(33)**	**439 756**	**439 742**	**14**	**100.0%**	**433 360**	**432 197**
Provinces and municipalities	436 245	-	-	436 245	436 235	10	100.0%	429 760	428 601
Municipalities	436 245	-	-	436 245	436 235	10	100.0%	429 760	428 601
Municipal bank accounts	436 245	-	-	436 245	436 235	10	100.0%	429 760	428 601
Departmental agencies and accounts	13	-	(9)	4	4	-	100.0%	-	-
Departmental agencies	13	-	(9)	4	4	-	100.0%	-	-

Programme 2: Public Works Infrastructure (Continued)

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Households	3 531	-	(24)	3 507	3 503	4	99.9%	3 600	3 596
Social benefits	3 363	44	(24)	3 383	3 380	3	99.9%	3 598	3 594
Other transfers to households	168	(44)	-	124	123	1	99.2%	2	2
Payments for capital assets	**53 975**	**-**	**(7 467)**	**46 508**	**44 719**	**1 789**	**96.2%**	**14 860**	**14 850**
Buildings and other fixed structures	45 072	-	-	45 072	43 284	1 788	96.0%	13 286	13 281
Buildings	45 072	-	-	45 072	43 284	1 788	96.0%	13 286	13 281
Machinery and equipment	2 003	-	(567)	1 436	1 435	1	99.9%	1 574	1 569
Other machinery and equipment	2 003	-	(567)	1 436	1 435	1	99.9%	1 574	1 569
Land and sub-soil assets	6 900	-	(6 900)	-	-	-	-	-	-
Payments for financial assets	**-**	**-**	**-**	**-**	**67**	**(67)**	**-**	**-**	**167**
TOTAL	**1 469 019**	**-**	**3 560**	**1 472 579**	**1 470 143**	**2 436**	**99.8%**	**1 506 200**	**1 503 337**

Sub-programme: 2.1: Programme Support									
	2020/21							2019/20	
	Adjusted Appropria-tion	Shifting of Funds	Virement	Final Appropria-tion	Actual Expendi-ture	Variance	Expenditure as % of final appropriation	Final Appropria-tion	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**5 841**	**5**	**(191)**	**5 655**	**5 638**	**17**	**99.7%**	**8 594**	**8 559**
Compensation of employees	5 602	-	(169)	5 433	5 420	13	99.8%	8 004	7 988
Goods and services	239	5	(22)	222	218	4	98.2%	590	571
Transfers and subsidies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**22**	**21**
Households	-	-	-	-	-	-	-	22	21
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**266**	**264**
Machinery and equipment	-	-	-	-	-	-	-	266	264
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2**
TOTAL	**5 841**	**5**	**(191)**	**5 655**	**5 638**	**17**	**99.7%**	**8 882**	**8 846**

Sub-programme: 2.2: Planning									
	2020/21							2019/20	
	Adjusted Appropria-tion	Shifting of Funds	Virement	Final Appropria-tion	Actual Expendi-ture	Variance	Expendi-ture as % of final appro-priation	Final Appropria-tion	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**12 314**	**(24)**	**(3 071)**	**9 219**	**9 212**	**7**	**99.9%**	**10 476**	**10 461**
Compensation of employees	8 955	-	26	8 981	8 978	3	100.0%	10 030	10 023
Goods and services	3 359	(24)	(3 097)	238	234	4	98.3%	446	438
Transfers and subsidies	**70**	**(2)**	**-**	**68**	**67**	**1**	**98.5%**	**33**	**33**
Households	70	(2)	-	68	67	1	98.5%	33	33
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**55**	**55**
Machinery and equipment	-	-	-	-	-	-	-	55	55
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**12 384**	**(26)**	**(3 071)**	**9 287**	**9 279**	**8**	**99.9%**	**10 564**	**10 549**

Sub-programme: 2.3: Design									
	2020/21							2019/20	
	Adjusted Appropria-tion	Shifting of Funds	Virement	Final Appropria-tion	Actual Expendi-ture	Variance	Expendi-ture as % of final appro-priation	Final Appropria-tion	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**17 602**	**24**	**36**	**17 662**	**17 655**	**7**	**100.0%**	**19 710**	**19 689**
Compensation of employees	16 952	-	46	16 998	16 994	4	100.0%	18 637	18 631
Goods and services	650	24	(10)	664	661	3	99.5%	1 073	1 058
Transfers and subsidies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**11**	**10**
Households	-	-	-	-	-	-	-	11	10
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**143**	**142**
Machinery and equipment	-	-	-	-	-	-	-	143	142
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2**
TOTAL	**17 602**	**24**	**36**	**17 662**	**17 655**	**7**	**100.0%**	**19 864**	**19 843**

Sub-programme: 2.4: Construction									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**1 614**	**-**	**(90)**	**1 524**	**1 519**	**5**	**99.7%**	**1 659**	**1 652**
Compensation of employees	1 535	-	(82)	1 453	1 448	5	99.7%	1 443	1 439
Goods and services	79	-	(8)	71	71	-	100.0%	216	213
Payments for capital assets	**41 776**	**-**	**-**	**41 776**	**39 991**	**1 785**	**95.7%**	**13 286**	**13 281**
Buildings and other fixed structures	41 776	-	-	41 776	39 991	1 785	95.7%	13 286	13 281
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1**
TOTAL	**43 390**	**-**	**(90)**	**43 300**	**41 510**	**1 790**	**95.9%**	**14 945**	**14 934**

Sub-programme: 2.5: Maintenance

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**166 781**	**18**	**(6 921)**	**159 878**	**159 403**	**475**	**99.7%**	**131 678**	**130 017**
Compensation of employees	105 274	-	(6 326)	98 948	98 928	20	100.0%	105 826	105 806
Goods and services	61 507	18	(595)	60 930	60 475	455	99.3%	25 852	24 211
Transfers and subsidies	**2 322**	**(22)**	**(24)**	**2 276**	**2 275**	**1**	**100.0%**	**2 638**	**2 637**
Households	2 322	(22)	(24)	2 276	2 275	1	100.0%	2 638	2 637
Payments for capital assets	**704**	**-**	**(224)**	**480**	**479**	**1**	**99.8%**	**425**	**425**
Machinery and equipment	704	-	(224)	480	479	1	99.8%	425	425
Payments for financial assets	**-**	**-**	**-**	**-**	**17**	**(17)**	**-**	**-**	**119**
TOTAL	**169 807**	**(4)**	**(7 169)**	**162 634**	**162 174**	**460**	**99.7%**	**134 741**	**133 198**

Sub-programme: 2.6: Immovable Asset Management									
	2020/21							2019/20	
	Adjusted Appropria-tion	Shifting of Funds	Virement	Final Appropria-tion	Actual Expenditure	Variance	Expenditure as % of final appro-priation	Final Appropria-tion	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**578 295**	**3 573**	**21 624**	**603 492**	**603 433**	**59**	**100.0%**	**710 185**	**710 122**
Compensation of employees	14 258	-	94	14 352	14 345	7	100.0%	14 822	14 812
Goods and services	564 037	3 573	21 530	589 140	589 088	52	100.0%	695 363	695 310
Transfers and subsidies	**436 245**	**-**	**-**	**436 245**	**436 235**	**10**	**100.0%**	**429 780**	**428 621**
Provinces and municipalities	436 245	-	-	436 245	436 235	10	100.0%	429 760	428 601
Households	-	-	-	-	-	-	-	20	20
Payments for capital assets	**9 790**	**-**	**(6 900)**	**2 890**	**2 890**	**-**	**100.0%**	**-**	**-**
Buildings and other fixed structures	2 890	-	-	2 890	2 890	-	100.0%	-	-
Land and sub-soil assets	6 900	-	(6 900)	-	-	-	-	-	-
Payments for financial assets	**-**	**-**	**-**	**-**	**21**	**(21)**	**-**	**-**	**2**
TOTAL	**1 024 330**	**3 573**	**14 724**	**1 042 627**	**1 042 579**	**48**	**100.0%**	**1 139 965**	**1 138 745**

Sub-programme: 2.7: Facility Operations									
	2020/21							2019/20	
	Adjusted Appropria-tion	Shifting of Funds	Virement	Final Appropria-tion	Actual Expendi-ture	Variance	Expendi-ture as % of final appro-priation	Final Appropria-tion	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**192 808**	**(3 596)**	**(327)**	**188 885**	**188 755**	**130**	**99.9%**	**175 678**	**175 623**
Compensation of employees	164 444	-	(1 215)	163 229	163 166	63	100.0%	159 873	159 849
Goods and services	28 364	(3 596)	888	25 656	25 589	67	99.7%	15 805	15 774
Transfers and subsidies	**1 152**	**24**	**(9)**	**1 167**	**1 165**	**2**	**99.8%**	**876**	**875**
Departmental agencies and ac-counts	13	-	(9)	4	4	-	100.0%	-	-
Households	1 139	24	-	1 163	1 161	2	99.8%	876	875
Payments for capital assets	**1 705**	**-**	**(343)**	**1 362**	**1 359**	**3**	**99.8%**	**685**	**683**
Buildings and other fixed structures	406	-	-	406	403	3	99.3%	-	-
Machinery and equipment	1 299	-	(343)	956	956	-	100.0%	685	683
Payments for financial assets	**-**	**-**	**-**	**-**	**29**	**(29)**	**-**	**-**	**41**
TOTAL	**195 665**	**(3 572)**	**(679)**	**191 414**	**191 308**	**106**	**99.9%**	**177 239**	**177 222**

Programme 3: Expanded Public Works Programme									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Programme Support	18 594	-	(367)	18 227	18 201	26	99.9%	18 692	18 653
2. Community Development	33 760	-	(18)	33 742	33 505	237	99.3%	101 394	101 112
3. Innovation and Empowerment	14 480	-	(1 772)	12 708	12 707	1	100.0%	52 214	52 212
Total for sub programmes	**66 834**	**-**	**(2 157)**	**64 677**	**64 413**	**264**	**99.6%**	**172 300**	**171 977**
Current payments	**55 409**	**-**	**(2 157)**	**53 252**	**53 219**	**33**	**99.9%**	**106 364**	**106 051**
Compensation of employees	18 071	-	(349)	17 722	17 710	12	99.9%	17 582	17 568
Salaries and wages	15 975	-	(338)	15 637	15 629	8	99.9%	15 608	15 598
Social contributions	2 096	-	(11)	2 085	2 081	4	99.8%	1 974	1 970
Goods and services	37 338	-	(1 808)	35 530	35 509	21	99.9%	88 782	88 483
Administrative fees	3	1 838	-	1 841	1 837	4	99.8%	2 445	2 442
Catering: Departmental activities	-	-	-	-	-	-	-	76	74
Contractors	24 821	(24 791)	(30)	-	-	-	-	-	-
Agency and support / outsourced services	-	22 953	-	22 953	22 951	2	100.0%	30 415	30 413
Fleet services	229	-	(3)	226	225	1	99.6%	210	208
Inventory: Clothing material and supplies	2 343	-	-	2 343	2 341	2	99.9%	1 482	1 481
Inventory: Farming supplies	463	-	-	463	463	-	100.0%	248	-

Programme 3: Expanded Public Works Programme (Continue)									
	2020/21							2019/20	
	Adjusted Appropria-tion	Shifting of Funds	Virement	Final Appropria-tion	Actual Expendi-ture	Variance	Expendi-ture as % of final appro-priation	Final Appropria-tion	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Materials and supplies	10	-	-	10	10	-	100.0%	11	-
Consumable supplies	6	-	-	6	5	1	83.3%	458	457
Consumable: Stationery, printing and office supplies	65	(1)	(18)	46	42	4	91.3%	21	19
Operating leases	101	-	18	119	117	2	98.3%	155	154
Property payments	-	-	-	-	-	-	-	76	76
Travel and subsistence	103	(4)	(15)	84	80	4	95.2%	563	549
Training and development	9 176	-	(1 760)	7 416	7 416	-	100.0%	52 581	52 570
Operating payments	18	5	-	23	22	1	95.7%	26	25
Venues and facilities	-	-	-	-	-	-	-	15	15
Transfers and subsidies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**43**	**43**
Households	-	-	-	-	-	-	-	43	43
Social benefits	-	-	-	-	-	-	-	43	43
Payments for capital assets	**11 425**	**-**	**-**	**11 425**	**11 194**	**231**	**98.0%**	**65 893**	**65 883**
Buildings and other fixed structures	11 425	-	-	11 425	11 194	231	98.0%	65 893	65 883
Other fixed structures	11 425	-	-	11 425	11 194	231	98.0%	65 893	65 883
TOTAL	**66 834**	**-**	**(2 157)**	**64 677**	**64 413**	**264**	**99.6%**	**172 300**	**171 977**

Sub-programme: 3.1: Programme Support									
	2020/21							2019/20	
	Adjusted Appropria-tion	Shifting of Funds	Virement	Final Appropria-tion	Actual Expendi-ture	Variance	Expendi-ture as % of final appro-priation	Final Appropria-tion	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**18 594**	**-**	**(367)**	**18 227**	**18 201**	**26**	**99.9%**	**18 649**	**18 610**
Compensation of employees	18 071	-	(349)	17 722	17 710	12	99.9%	17 582	17 568
Goods and services	523	-	(18)	505	491	14	97.2%	1 067	1 042
Transfers and subsidies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**43**	**43**
Households	-	-	-	-	-	-	-	43	43
TOTAL	**18 594**	**-**	**(367)**	**18 227**	**18 201**	**26**	**99.9%**	**18 692**	**18 653**

Sub-programme: 3.2: Community Development									
	2020/21							2019/20	
	Adjusted Appropria-tion	Shifting of Funds	Virement	Final Appropria-tion	Actual Expendi-ture	Variance	Expendi-ture as % of final appro-priation	Final Appropria-tion	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**22 335**	**-**	**(18)**	**22 317**	**22 311**	**6**	**100.0%**	**35 501**	**35 229**
Goods and services	22 335	-	(18)	22 317	22 311	6	100.0%	35 501	35 229
Payments for capital assets	**11 425**	**-**	**-**	**11 425**	**11 194**	**231**	**98.0%**	**65 893**	**65 883**
Buildings and other fixed structures	11 425	-	-	11 425	11 194	231	98.0%	65 893	65 883
TOTAL	33 760	-	(18)	33 742	33 505	237	99.3%	101 394	101 112

Sub-programme: 3.3: Innovation and Empowerment									
	2020/21							2019/20	
	Adjusted Appropria-tion	Shifting of Funds	Virement	Final Appropria-tion	Actual Expendi-ture	Variance	Expendi-ture as % of final appro-priation	Final Appropria-tion	Actual expendi-ture
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**14 480**	**-**	**(1 772)**	**12 708**	**12 707**	**1**	**100.0%**	**52 214**	**52 212**
Goods and services	14 480	-	(1 772)	12 708	12 707	1	100.0%	52 214	52 212
TOTAL	**14 480**	**-**	**(1 772)**	**12 708**	**12 707**	**1**	**100.0%**	**52 214**	**52 212**

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

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

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

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

3. Detail on payments for financial assets

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

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

4.1 Per programme	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation
Programme 1: Administration	121 404	121 221	183	0.2%
Programme 2: Public Works Infra-structure	1 472 579	1 470 143	2 436	0.2%
Programme 3: Expanded Public Works Programme	64 677	64 413	264	0.4%
TOTAL	**1 658 660**	**1 655 777**	**2 883**	**0.2%**

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

4.2 Per economic classification	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation
Current payments				
Compensation of employees	417 600	417 399	201	0.0%
Goods and services	737 295	736 582	713	0.1%
Transfers and subsidies				
Provinces and municipalities	436 245	436 235	10	0.0%
Departmental agencies and ac-counts	6	5	1	16.7%
Households	3 836	3 830	6	0.2%
Payments for capital assets				
Buildings and other fixed structures	56 497	54 478	2 019	3.6%
Machinery and equipment	6 933	6 928	5	0.1%
Software and other intangible assets	248	248	-	-
Payments for financial assets	-	72	(72)	-
TOTAL	**1 658 660**	**1 655 777**	**2 883**	**0.2%**

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

4.3 Per conditional grant	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation
EPWP Integrated Grant for Provinces	6 270	6 269	1	0.0%
TOTAL	**6 270**	**6 269**	**1**	**0.0%**

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

	Note	2020/21	2019/20
		R'000	R'000
REVENUE			
Annual appropriation	1	1 658 660	1 802 839
Departmental revenue	2	-	-
TOTAL REVENUE		**1 658 660**	**1 802 839**
EXPENDITURE			
Current expenditure			
Compensation of employees	4	417 399	425 598
Goods and services	5	736 582	855 283
Total current expenditure		**1 153 981**	**1 280 881**
Transfers and subsidies	7	**440 070**	**433 163**
Expenditure for capital assets			
Tangible assets	8	61 406	85 226
Intangible assets	8	248	-
Total expenditure for capital assets		**61 654**	**85 226**
Payments for financial assets	6	**72**	**198**
TOTAL EXPENDITURE		**1 655 777**	**1 799 468**
SURPLUS FOR THE YEAR		**2 883**	**3 371**
Reconciliation of Net Surplus for the year			
Voted funds		**2 883**	**3 371**
Annual appropriation		2 882	3 371
Conditional grants		1	-
SURPLUS FOR THE YEAR		**2 883**	**3 371**

	Note	2020/21	2019/20
		R'000	R'000
ASSETS			
Current assets		**6 562**	**8 025**
Cash and cash equivalents	*9*	4 491	6 119
Prepayments and advances	*10*	-	4
Receivables	*11*	2 071	1 902
Non-current assets		**592**	**721**
Receivables	*11*	592	721
TOTAL ASSETS		**7 154**	**8 746**
LIABILITIES			
Current liabilities		**5 867**	**7 324**
Voted funds to be surrendered to the Revenue Fund	*12*	2 883	3 371
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	*13*	2 698	3 790
Payables	*14*	286	163
TOTAL LIABILITIES		**5 867**	**7 324**
NET ASSETS		**1 287**	**1 422**

	2020/21	2019/20
	R'000	R'000
Represented by:		
Recoverable revenue	1 287	1 422
TOTAL	**1 287**	**1 422**

	Note	2020/21	2019/20
		R'000	R'000
Recoverable revenue			
Opening balance		1 422	833
Transfers:		(135)	589
Irrecoverable amounts written off	6.2	(6)	(17)
Debts revised		-	(43)
Debts recovered (included in departmental receipts)		(257)	(228)
Debts raised		128	877
Closing balance		1 287	1 422
TOTAL		**1 287**	**1 422**

	Note	2020/21	2019/20
		R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		1 695 937	1 839 751
Annual appropriated funds received	1.1	1 658 660	1 802 839
Departmental revenue received	2	37 231	36 834
Interest received	2.2	46	78
Net (increase)/decrease in working capital		(42)	3 696
Surrendered to Revenue Fund		(50 623)	(45 275)
Current payments		(1 153 981)	(1 280 881)
Payments for financial assets		(72)	(198)
Transfers and subsidies paid		(440 070)	(433 163)
Net cash flow available from operating activities	15	**51 149**	**83 930**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	8	(61 654)	(85 226)
Proceeds from sale of capital assets	2.3	8 883	9 981
(Increase)/decrease in non-current receivables	11	129	(372)
Net cash flows from investing activities		**(52 642)**	**(75 617)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		(135)	589
Net cash flows from financing activities		**(135)**	**589**
Net increase/(decrease) in cash and cash equivalents		(1 628)	8 902
Cash and cash equivalents at beginning of period		6 119	(2 783)
Cash and cash equivalents at end of period	16	**4 491**	**6 119**

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

7.2	**Departmental revenue** Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.
7.3	**Accrued departmental revenue** Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when: • it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and • the amount of revenue can be measured reliably. The accrued revenue is measured at the fair value of the consideration receivable. Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents. Write-offs are made according to the department's debt write-off policy.
8	**Expenditure**
8.1	**Compensation of employees**
8.1.1	**Salaries and wages** Salaries and wages are recognised in the statement of financial performance on the date of payment.
8.1.2	**Social contributions** Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment. Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.
8.2	**Other expenditure** Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.
8.3	**Accruals and payables not recognised** Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.
8.4	**Leases**
8.4.1	**Operating leases** Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue. The operating lease commitments are recorded in the notes to the financial statements.

8.4.2	**Finance leases** Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of: • cost, being the fair value of the asset; or • the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.
9	**Aid Assistance**
9.1	**Aid assistance received** In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.
10	**Cash and cash equivalents** Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position as a current liability. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.
11	**Prepayments and advances** Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost.
12	**Receivables** 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	**Financial assets**
13.1	**Financial assets (not covered elsewhere)** A financial asset is recognised initially at its cost, plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.
13.2	**Impairment of financial assets** Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.
14	**Payables** Payables recognised in the statement of financial position are recognised at cost.

15	**Capital Assets**
15.1	**Immovable capital assets** Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use. Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.
15.2	**Movable capital assets** Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1. All assets acquired prior to 1 April 2005 may be recorded at R1. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.
15.3	**Intangible assets** Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition. Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project. Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1. All assets acquired prior to 1 April 2005 may be recorded at R1. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.
15.4	**Project Costs: Work-in-progress** Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid. Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register. Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.
16	**Provisions and Contingents**
16.1	**Provisions** Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

16.2	**Contingent liabilities** Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.
16.3	**Contingent assets** Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.
16.4	**Capital commitments** Capital commitments are recorded at cost in the notes to the financial statements.
17	**Fruitless and wasteful expenditure** Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred. Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables or written off. Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.
18	**Irregular expenditure** Irregular expenditure is recorded in the notes to the financial statements when confirmed after its assessment. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note. Irregular expenditure is reduced from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, not condoned and removed or written-off. Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.
19	**Changes in accounting estimates and errors** Changes in accounting estimates are applied prospectively in accordance with MCS requirements. Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.
20	**Events after the reporting date** Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.
21	**Departures from the MCS requirements** Management has concluded that the financial statements present fairly the department's primary and secondary information.
22	**Recoverable revenue** Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are transferred to the Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

23	**Related party transactions** Related party transactions within the MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length. The number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.
24	**Inventories *(Effective from date determined in a Treasury Instruction)*** At the date of acquisition, inventories are recognised at cost in the statement of financial performance. Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition. Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value. The cost of inventories is assigned by using the weighted average cost basis.
25	**Employee benefits** The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.

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:

	2020/21			2019/20		
	Final Appropriation	Actual Funds Received	Funds not requested / not received	Final Appropriation	Appropriation received	Funds not requested / not received
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	121 404	121 404	-	124 339	124 339	-
Public Works Infrastructure	1 472 579	1 472 579	-	1 506 200	1 506 200	-
Expanded Public Works Programme	64 677	64 677	-	172 300	172 300	-
Total	**1 658 660**	**1 658 660**	**-**	**1 802 839**	**1 802 839**	**-**

The Department requested / received all funds appropriated.

1.2 Conditional grants

	Note	2020/21	2019/20
		R'000	R'000
Total grants received	32	**6 270**	**6 966**

2. Departmental revenue

	Note	2020/21	2019/20
		R'000	R'000
Sales of goods and services other than capital assets	2.1	36 950	36 074
Interest, dividends and rent on land	2.2	46	78
Sales of capital assets	2.3	8 883	9 981
Transactions in financial assets and liabilities	2.4	281	760
Total revenue collected		**46 160**	**46 893**
Less: Own revenue included in appropriation	13	(46 160)	(46 893)
Departmental revenue collected		**-**	**-**

2.1 Sales of goods and services other than capital assets

	Note	2020/21	2019/20
	2	R'000	R'000
Sales of goods and services produced by the department		36 950	36 072
Sales by market establishment		36 504	35 486
Other sales		446	586
Sales of scrap, waste and other used current goods		-	2
Total		**36 950**	**36 074**

2.2 Interest, dividends and rent on land

	Note	2020/21	2019/20
	2	R'000	R'000
Interest		46	78
Total		**46**	**78**

2.3 Sale of capital assets

	Note	2020/21	2019/20
	2	R'000	R'000
Tangible assets		8 883	9 981
Buildings and other fixed structures	*30.2*	8 883	9 981
Total		**8 883**	**9 981**

2.4 Transactions in financial assets and liabilities

	Note	2020/21	2019/20
	2	R'000	R'000
Receivables		263	244
Other Receipts including Recoverable Revenue		18	516
Total		**281**	**760**

3. Aid assistance

3.1 Donations received in kind (not included in the main note)

	Note	2020/21	2019/20
		R'000	R'000
PPE received from Provincial Treasury to minimise the risk of transmission of Covid-19	*Annexure 1H*	6 655	-
Total		**6 655**	**-**

4. Compensation of employees

4.1 Salaries and Wages

	2020/21	2019/20
	R'000	R'000
Basic salary	281 781	286 842
Performance award	3 213	5 448
Service Based	690	1 184
Compensative/circumstantial	7 347	7 810
Periodic payments	6	-
Other non-pensionable allowances	59 008	60 644
Total	**352 045**	**361 928**

4.2 Social contributions

	2020/21	2019/20
	R'000	R'000
Employer contributions		
Pension	34 019	34 576
Medical	31 109	28 933
Bargaining council	139	134
Insurance	87	27
Total	**65 354**	**63 670**
Total compensation of employees	**417 399**	**425 598**
Average number of employees	1 328	1 385

5. Goods and services

	Note	2020/21	2019/20
		R'000	R'000
Administrative fees		1 989	2 812
Advertising		249	914
Minor assets	5.1	349	295
Bursaries (employees)		1 618	2 239
Catering		-	509
Communication		2 001	2 551
Computer services	5.2	7 692	3 637
Consultants: Business and advisory services		11 047	5 379
Legal services		1 687	602
Contractors		42 310	544
Agency and support / outsourced services		22 951	30 413
Audit cost – external	5.3	7 593	6 720
Fleet services		3 816	5 948
Inventory	5.4	8 010	9 394
Consumables	5.5	1 097	2 311
Operating leases		257 239	231 951
Property payments	5.6	352 516	483 800
Rental and hiring		2 586	7
Transport provided as part of the departmental activities		-	244
Travel and subsistence	5.7	3 016	9 300
Venues and facilities		-	63
Training and development		7 633	54 894
Other operating expenditure	5.8	1 183	756
Total		**736 582**	**855 283**

It is noted to the reader of the Annual Financial Statements that the 2019/2020 amounts regarding Property Payments (R4.667 million) and Consultants: Business and advisory services (R4.667 million), Contractors (R32.842 million), Administration fees (R2.429 million) and Agency and support / outsourced services (R30.413 million) were restated to ensure the correct classification of expenditure according to SCOA.

5.1 Minor assets

	Note	2020/21	2019/20
	5	R'000	R'000
Tangible assets			
Machinery and equipment		349	295
Total		**349**	**295**

5.2 Computer services

	Note	2020/21	2019/20
	5	R'000	R'000
SITA computer services		1 567	1 647
External computer service providers		6 125	1 990
Total		**7 692**	**3 637**

5.3 Audit cost – External

	Note	2020/21	2019/20
	5	R'000	R'000
Regularity audits		7 593	6 720
Total		**7 593**	**6 720**

5.4 Inventory

	Note	2020/21	2019/20
	5	R'000	R'000
Clothing material and accessories		2 941	1 744
Farming supplies		472	182
Fuel, oil and gas		165	439
Materials and supplies		3 669	5 931
Other supplies	5.4.1	763	1 098
Total		**8 010**	**9 394**

5.4.1 Other supplies

	Note	2020/21	2019/20
	5.4	R'000	R'000
Other		763	1 098
Total		**763**	**1 098**

It is noted to the reader of the Annual Financial Statements that the 2019/2020 amount for material and supplies was restated with R0.265 million to other supplies to ensure the correct classification of expenditure according to SCOA.

5.5 Consumables

	Note	2020/21	2019/20
	5	R'000	R'000
Consumable supplies		262	1 123
Uniform and clothing		48	21
Household supplies		152	573
Building material and supplies		39	511
IT consumables		6	9
Other consumables		17	9
Stationery, printing and office supplies		835	1 188
Total		**1 097**	**2 311**

5.6 Property payments

	Note	2020/21	2019/20
	5	R'000	R'000
Municipal services		328 500	464 896
Property maintenance and repairs		6 423	12 134
Other		17 593	6 770
Total		**352 516**	**483 800**

5.7 Travel and subsistence

	Note	2020/21	2019/20
	5	R'000	R'000
Local		3 012	9 164
Foreign		4	136
Total		**3 016**	**9 300**

5.8 Other operating expenditure

	Note	2020/21	2019/20
	5	R'000	R'000
Professional bodies, membership and subscription fees		144	110
Resettlement costs		122	26
Other		917	620
Total		**1 183**	**756**

6. Payments for financial assets

	Note	2020/21	2019/20
		R'000	R'000
Other material losses written off	6.1	4	37
Debts written off	6.2	68	161
Total		**72**	**198**

6.1 Other material losses written off

	Note	2020/21	2019/20
	6	R'000	R'000
Nature of losses			
Losses and damage to assets		4	23
Damages to vehicles		-	7
Losses and damage to cellular phones		-	7
Total		**4**	**37**

6.2 Debts written off

	Note	2020/21	2019/20
	6	R'000	R'000
Nature of debts written off			
Recoverable revenue written off			
Leave without pay		3	17
Breach of Contract		3	-
Total		6	17
Other debt written off			
Salary overpayment		28	72
Communication		2	-
Tax		30	67
Training and salary deductions		2	5
Total		62	144
Total debt written off		**68**	**161**

7. Transfers and subsidies

	Note	2020/21 R'000	2019/20 R'000
Provinces and municipalities	*33*	436 235	428 601
Departmental agencies and accounts	*Annexure 1B*	5	6
Households	*Annexure 1G*	3 830	4 556
Total		**440 070**	**433 163**

8. Expenditure for capital assets

	Note	2020/21 R'000	2019/20 R'000
Tangible assets		**61 406**	**85 226**
Buildings and other fixed structures	*30.1*	54 478	79 164
Machinery and equipment	*28.1*	6 928	6 062
Intangible assets		**248**	**-**
Software	*29.1*	248	-
Total		**61 654**	**85 226**

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

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

8.2 Analysis of funds utilised to acquire capital assets – 2019/20

	Voted funds	Total
	R'000	R'000
Tangible assets	**85 226**	**85 226**
Buildings and other fixed structures	79 164	79 164
Machinery and equipment	6 062	6 062
Intangible assets	**-**	**-**
Software	-	-
Total	**85 226**	**85 226**

8.3 Finance lease expenditure included in Expenditure for capital assets

	2020/21	2019/20
	R'000	R'000
Tangible assets		
Machinery and equipment	4 076	3 014
Total	**4 076**	**3 014**

9. Cash and cash equivalents

	2020/21	2019/20
	R'000	R'000
Consolidated Paymaster General Account	4 351	5 979
Cash on hand	140	140
Total	**4 491**	**6 119**

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

10. Prepayments and advances

	2020/21	2019/20
	R'000	R'000
Travel and subsistence	-	4
Total	**-**	**4**

11. Receivables

		2020/21			2019/20		
		Current	Non-current	Total	Current	Non-current	Total
	Note	R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	*11.1*	272	-	272	102	-	102
Recoverable expenditure	*11.2*	84	-	84	7	-	7
Staff debt	*11.3*	1 715	592	2 307	1 793	721	2 514
Total		**2 071**	**592**	**2 663**	**1 902**	**721**	**2 623**

11.1 Claims recoverable

	Note	2020/21	2019/20
	11 and Annex 4	R'000	R'000
National departments		17	-
Provincial departments		139	102
Public entities		116	-
Total		**272**	**102**

11.2 Recoverable expenditure (disallowance accounts)

	Note	2020/21	2019/20
	11	R'000	R'000
Employee's Tax Debt.		-	1
Contributions deducted for the payment pension fund contributions to GEPF.		3	2
Reversal of payroll related transactions received via PERSAL.		-	2
Contributions deducted from employees' salaries via PERSAL for the payment of medical aid to the relevant institution.		-	2
Contributions deducted from employees' salaries via PERSAL for the payment of PAYE to SARS.		81	-
Total		**84**	**7**

11.3 Staff debt

	Note	2020/21	2019/20
	11	R'000	R'000
Salary overpayment debt		600	596
Breach of contract debt		955	1 126
Losses / damages debt		20	50
Communication debt		16	23
Leave without pay debt		95	101
Deduction salary debt		19	19
Government Motor Transport accident debt		292	294
Tax debt		307	301
Other debt (Traffic fines, subsistence & travel claims)		3	4
Total		**2 307**	**2 514**

11.4 Impairment of receivables

	2020/21	2019/20
	R'000	R'000
Estimate of impairment of receivables	1 315	1 144
Total	**1 315**	**1 144**

The estimate is calculated based on an assessment of each debtor for which there is no payment arrangement.
Outstanding debt is written-off when the delegated official is convinced that:

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

12. Voted funds to be surrendered to the Revenue Fund

	2020/21	2019/20
	R'000	R'000
Opening balance	3 371	266
Prior period error		-
As restated	3 371	266
Transfer from statement of financial performance (as restated)	2 883	3 371
Paid during the year	(3 371)	(266)
Closing balance	**2 883**	**3 371**

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

	Note	2020/21	2019/20
		R'000	**R'000**
Opening balance		3 790	1 906
Prior period error			-
As restated		3 790	1 906
Own revenue included in appropriation	2	46 160	46 893
Paid during the year		(47 252)	(45 009)
Closing balance		**2 698**	**3 790**

14. Payables – current

	Note	2020/21	2019/20
		R'000	**R'000**
Amounts owing to other entities		-	1
Clearing accounts	14.1	284	162
Other payables	14.2	2	-
Total		**286**	**163**

14.1 Clearing accounts

	Note	2020/21	2019/20
	14	**R'000**	**R'000**
Government Employees Housing Scheme.		284	161
Payments deducted which need to be paid over to the creditor of an employee.		-	1
Total		**284**	**162**

14.2 Other payables

	Note	2020/21	2019/20
	14	**R'000**	**R'000**
Description			
Pension deduction refund		2	-
Total		**2**	**-**

15. Net cash flow available from operating activities

	2020/21	2019/20
	R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance	2 883	3 371
Add back non cash/cash movements not deemed operating activities	48 266	80 559
(Increase)/decrease in receivables - current	(169)	3 623
(Increase)/decrease in prepayments and advances	4	6
Increase/(decrease) in payables – current	123	67
Proceeds from sale of capital assets	(8 883)	(9 981)
Expenditure on capital assets	61 654	85 226
Surrenders to Revenue Fund	(50 623)	(45 275)
Own revenue included in appropriation	46 160	46 893
Net cash flow generated by operating activities	**51 149**	**83 930**

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

	2020/21	2019/20
	R'000	R'000
Consolidated Paymaster General account	4 351	5 979
Cash on hand	140	140
Total	**4 491**	**6 119**

17. Contingent liabilities and contingent assets

17.1 Contingent liabilities

		Note	2020/21	2019/20
			R'000	R'000
Liable to	**Nature**			
Claims against the department		*Annex 3B*	55 864	17 277
Intergovernmental payables (unconfirmed balances)		*Annex 5*	372	518
Total			**56 236**	**17 795**

The Labour Appeal Court (LAC) declared the salary increases for the 2020/2021 financial year unlawful and invalid. The LAC ruling has been appealed and referred to the Constitutional Court. The ruling by the Constitutional Court will confirm if the department will be obligated to pay the salary increases in dispute.

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

17.2 Contingent assets

	2020/21	2019/20
	R'000	R'000
Nature of contingent asset		
Disposal of land	-	-
Total	-	-

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

18. Capital commitments

	2020/21	2019/20
	R'000	R'000
Dwellings	838	197
Non-Residential buildings	118 923	122 722
Other fixed structures	-	10 479
Total	**119 761**	**133 398**

19. Accruals and payables not recognised

19.1 Accruals

			2020/21	2019/20
			R'000	R'000
Listed by economic classification				
	30 Days	**30+ Days**	**Total**	**Total**
Goods and services	19 410	6 944	26 354	60 229
Transfers and subsidies	-	6	6	212 314
Capital assets	-	2 132	2 132	255
Total	**19 410**	**9 082**	**28 492**	**272 798**

	2020/21	2019/20
	R'000	R'000
Listed by programme level		
Programme 1: Administration	1 329	2 269
Programme 2: Public Works Infrastructure	27 116	270 436
Programme 3: Expanded Public Works Programme	47	93
Total	**28 492**	**272 798**

R22.396 million (2019/2020: R269.137 million) of the Accruals relates to Municipal Accounts that were outstanding at year-end, as the invoices had not yet been received. The Department experienced budget constraints due to the fact that municipal service increases are higher than the Departmental budget increase.

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

19.2 Payables not recognised

			2020/21	2019/20
			R'000	R'000
Listed by economic classification				
	30 Days	**30+ Days**	**Total**	**Total**
Goods and services	13 481	825 396	838 877	643 091
Interest and rent on land	-	42	42	-
Transfers and subsidies	17 182	242 319	259 501	20
Capital assets	-	99	99	-
Total	**30 663**	**1 067 856**	**1 098 519**	**643 111**

	2020/21	2019/20
	R'000	R'000
Listed by programme level		
Programme 1: Administration	1 027	734
Programme 2: Public Works Infrastructure	1 097 490	642 072
Programme 3: Expanded Public Works Programme	2	305
Total	**1 098 519**	**643 111**

R954.984 million (2019/2020: R563.910 million) of the payables not recognised relates to Municipal Accounts that were outstanding at year-end. The Department experienced budget constraints due to the fact that municipal service increases are higher than the Departmental budget increase. The accounts could therefore not be settled at year-end.

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

20. Employee benefits

	2020/21	2019/20
	R'000	R'000
Leave entitlement	23 731	16 297
Service bonus	11 510	11 507
Performance awards	2 138	3 685
Capped leave	15 006	17 143
Other	385	690
Total	**52 770**	**49 322**

It should be noted to the reader of the Annual Financial Statements that the current year figure for leave entitlement includes a negative amount of R375 455.70 (2019/2020: R588 856.57) that relates to negative leave balances that existed as at 31 March 2021.

Other Employee Benefits constitute Long Service Awards payable during the 2021/2022 financial year. At this stage the Department is not able to reliably measure the long-term portion of the long service award.

21. Lease commitments

21.1 Operating leases

2020/21	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000
Not later than 1 year	273 016	2 949	275 965
Later than 1 year and not later than 5 years	678 460	2 555	681 015
Later than five years	427 709	-	427 709
Total lease commitments	**1 379 185**	**5 504**	**1 384 689**

2019/20	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000
Not later than 1 year	239 223	4 593	243 816
Later than 1 year and not later than 5 years	523 251	5 187	528 438
Later than five years	237 666	-	237 666
Total lease commitments	**1 000 140**	**9 780**	**1 009 920**

The Department rents 95 office buildings as part of its mandate to provide office accommodation to other Departments in the Province. There are currently 40 fixed term lease contracts that ranges between 5 to 10 years and 55 month-to-month contracts. The escalation rate applicable to these fixed term lease contracts range from 6% to 8% per annum.

The Department currently lease 68 vehicles from Fleet Management for a period between 3 and 7 years.

The Department has eight data contracts on a month-to-month basis. There are no escalations applicable to these leases.

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

21.2 Finance leases

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

2019/20	Machinery and equipment	Total
	R'000	R'000
Not later than 1 year	3 836	3 836
Later than 1 year and not later than 5 years	4 458	4 458
Later than five years	-	-
Total lease commitments	**8 294**	**8 294**

The Department leases 44 photocopy machines over a lease term of 36 months.

The Department has 197 cellular phone contracts and 10 data contracts. There are no escalations applicable to these leases.

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

21.3 Operating lease future revenue

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

2019/20	Buildings and other fixed structures	Total
	R'000	R'000
Not later than 1 year	8 701	8 701
Later than 1 year and not later than 5 years	23 238	23 238
Later than five years	4 739	4 739
Total operating lease revenue receivable	**36 678**	**36 678**

The Department rents out 127 properties to various lessees. There are currently 9 fixed term contracts that escalates between 6% and 10% per annum and 118 month-to-month contracts.

22. Accrued departmental revenue

	2020/21	2019/20
	R'000	R'000
Sales of goods and services other than capital assets	16 275	13 137
Sales of capital assets	1 200	10 083
Total	**17 475**	**23 220**

It is noted to the reader of the Annual Financial Statements that the 2019/2020 amount regarding accrued departmental revenue: Sales of capital assets has been restated with R0.318 million, due to the identification of two debtors that were omitted from the prior year disclosure.

It is noted that the current year figure for Accrued Departmental Revenue include negative balances of R1 384 125.70 (2019/2020: R746 071.25) that existed at year-end. The Department is in the process of investigation these negative balances.

22.1 Analysis of accrued departmental revenue

	2020/21	2019/20
	R'000	R'000
Opening balance	23 220	30 442
Less: amounts received	(37 619)	(37 612)
Add: amounts recorded	31 874	30 390
Closing balance	**17 475**	**23 220**

It is noted to the reader of the Annual Financial Statements that the opening balance for the 2019/2020 financial year regarding accrued departmental revenue has been restated with R0.318 million, due to the identification of two debtors that were omitted from the prior year disclosure.

22.2 Impairment of accrued departmental revenue

	2020/21	2019/20
	R'000	R'000
Estimate of impairment of accrued departmental revenue	12 089	10 360
Total	**12 089**	**10 360**

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

23. Irregular expenditure

23.1 Reconciliation of irregular expenditure

	Note	2020/21	2019/20
		R'000	R'000
Opening balance		19 294	95 256
Prior period error	23.4		(75 962)
As restated		19 294	19 294
Add: Irregular expenditure – relating to prior year		2 523	-
Add: Irregular expenditure – relating to current year		380	-
Less: Prior year amounts condoned		-	-
Less: Current year amounts condoned		-	-
Less: Prior year amounts not condoned and removed		-	-
Less: Current year amounts not condoned and removed		-	-
Less: Amounts recoverable (current and prior year)		-	-
Less: Amounts written off		-	-
Closing balance		**22 197**	**19 294**

Analysis of closing balance

	2020/21	2019/20
Current year	380	-
Prior years	21 817	19 294
Total	**22 197**	**19 294**

It is noted to the reader of the Annual Financial Statements that the opening balance for the 2019/2020 financial year has been restated with R75.962 million and "Irregular expenditure relating to the current year" with R28.353 million.

- *An investigation was finalised, and it determined that transactions amounting to R0.300 million did not meet the definition of irregular expenditure and it is therefore removed.*
- *The Department reviewed the 2018/2019 payment population and identified transactions amounting to R10.404 million where three quotations were not obtained.*
- *The Department incurred expenditure on leased properties where it has extended the lease contracts beyond its original expiry date. National Treasury SCM Instruction Note 3 of 2016/17 provides guidelines on the extension and variation of contracts. The application of the instruction note to property lease contracts are currently in dispute and therefore expenditure amounting to R86.066 million relating to the 2019/2020 opening balance and R28.353 million relating to the 2019/2020 financial year was removed from the main note as the Department will investigate the matter and solicit guidance from Provincial and National Treasury regarding the alleged irregularity.*

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

Incident	Disciplinary steps taken/criminal proceedings	2020/21 R'000
Training of EPWP participants	To be investigated	2 523
Disinfection of buildings	To be investigated	380
Total		**2 903**

23.3 Details of irregular expenditures under assessment (not included in the main note)

Incident	2020/21 R'000
Property Leases - Expired Contracts	135 835
Alleged non-compliance with Preferential Procurement Regulations, 2017	15 485
Total	**151 320**

The Department incurred expenditure on leased properties where it has extended the lease contracts beyond its original expiry date. National Treasury SCM Instruction Note 3 of 2016/17 provides guidelines on the extension and variation of contracts. The application of the instruction note to property lease contracts are currently in dispute and therefore expenditure amounting to R135.835 million will be investigated by the Department and solicit guidance from Provincial and National Treasury regarding the alleged irregularity.

An award was made to a bidder during the 2020/2021 financial year. The Department will investigate the matter to determine if there was non-compliance with the Preferential Procurement Regulations, 2017 and assess if irregular expenditure needs to be disclosed in the main note.

23.4 Prior period error

	Note	2019/20
	23	R'000
Nature of prior period error		
Relating to 2017/18 and 2018/2019 *[affecting the opening balance]*		(75 962)
Property Leases - Expired Contracts		(86 066)
Three Quotations not obtained – Investigation determined that it is not irregular.		(300)
Three Quotations not obtained		10 404
Relating to 2019/20		(28 353)
Property Leases - Expired Contracts		(28 353)
Total prior period errors		**(104 315)**

It is noted to the reader of the Annual Financial Statements that the opening balance for the 2019/2020 financial year has been restated with R75.962 million and "Irregular expenditure relating to the current year" with R28.353 million.

- *An investigation was finalised, and it determined that transactions amounting to R0.300 million did not meet the definition of irregular expenditure and it is therefore removed.*
- *The Department reviewed the 2018/2019 payment population and identified transactions amounting to R10.404 million where three quotations were not obtained.*
- *The Department incurred expenditure on leased properties where it has extended the lease contracts beyond its original expiry date. National Treasury SCM Instruction Note 3 of 2016/17 provides guidelines on the extension and variation of contracts. The application of the instruction note to property lease contracts are currently in dispute and therefore expenditure amounting to R86.066 million relating to the 2019/2020 opening balance and R28.353 million relating to the 2019/2020 financial year was removed from the main note as the Department will investigate the matter and solicit guidance from Provincial and National Treasury regarding the alleged irregularity.*

24. Fruitless and wasteful expenditure

24.1 Reconciliation of fruitless and wasteful expenditure

	2020/21	2019/20
	R'000	R'000
Opening balance	-	443
Prior period error		-
As restated	-	443
Fruitless and wasteful expenditure – relating to prior year	-	-
Fruitless and wasteful expenditure – relating to current year	-	-
Less: Amounts recoverable	-	-
Less: Amounts written off	-	(443)
Closing balance	**-**	**-**

25. Related party transactions

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

26. Key management personnel

	No. of Individuals	2020/21	2019/20
		R'000	**R'000**
Political office bearers	1 (2)	1 978	2 400
Officials:			
Level 15 to 16	1 (2)	2 116	2 360
Level 14 (incl. CFO if at a lower level)	8 (9)	8 942	9 080
Family members of key management personnel	1 (1)	466	181
Total		**13 502**	**14 021**

The Chief Financial Officer of the Department of Small Business Development, Tourism and Environmental Affairs ("DESTEA") acted in the position of Chief Financial Officer for the Department of Public Works and Infrastructure from 21 October 2020 until 28 February 2021. The Department did not incur any cost as his salary was paid by the Department of DESTEA.

27. Provisions

	Note	2020/21	2019/20
		R'000	**R'000**
Retention fees on capital projects	*27.1*	657	-
Total		**657**	**-**

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

27.1 Reconciliation of movement in provisions – 2020/21

	Note	Retention withheld	Total provisions
	27	**R'000**	**R'000**
Opening balance		-	-
Increase in provision		657	657
Closing balance		**657**	**657**

28. Movable Tangible Capital Assets

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

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	**50 332**	**-**	**2 852**	**(309)**	**52 875**
Transport assets	15	-	-	-	15
Computer equipment	24 757	-	1 362	(262)	25 857
Furniture and office equipment	17 419	-	711	-	18 130
Other machinery and equipment	8 141	-	779	(47)	8 873
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**50 332**	**-**	**2 852**	**(309)**	**52 875**

Movable Tangible Capital Assets under investigation

	Number	Value
		R'000
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	148	2 250

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

28.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	**6 928**	**-**	**(4 076)**	**-**	**2 852**
Transport assets	-	-	-	-	-
Computer equipment	1 362	-	-	-	1 362
Furniture and office equipment	711	-	-	-	711
Other machinery and equipment	4 855	-	(4 076)	-	779
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	**6 928**	**-**	**(4 076)**	**-**	**2 852**

28.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	**-**	**309**	**309**	**-**
Transport assets	-	-	-	-
Computer equipment	-	262	262	-
Furniture and office equipment	-	-	-	-
Other machinery and equipment	-	47	47	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	**-**	**309**	**309**	**-**

28.3 Movement for 2019/20

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	**47 651**	**19**	**3 065**	**(403)**	**50 332**
Transport assets	15	-	-	-	15
Computer equipment	23 742	-	1 353	(338)	24 757
Furniture and office equipment	16 478	9	946	(14)	17 419
Other machinery and equipment	7 416	10	766	(51)	8 141
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**47 651**	**19**	**3 065**	**(403)**	**50 332**

28.3.1 Prior period error

	Note	**2019/20**
	28.3	**R'000**
Nature of prior period error		
Relating to 2018/19 *[affecting the opening balance]*		19
Assets previously disposed, identified during asset count.		19
Relating to 2019/20		18
Disposals (Computer Equipment) – Asset incorrectly written-off		18
Total prior period errors		**37**

It is noted to the reader of the Annual Financial Statements that the opening balance was adjusted with R0.019 million. Two assets previously sold for cash were identified during the 2020/2021 asset count. Disposals for the 2019/2020 financial year have been adjusted with R0.018 million, an asset written-off during the 2019/2020 financial year was found during the 2020/2021 asset count.

28.4 Minor assets

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

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

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

Minor Capital Assets under investigation

	Number	Value
		R'000
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	984	1 194

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

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2020

	Intangible assets	Machinery and equipment	Total
	R'000	R'000	R'000
Opening balance	3	15 522	15 525
Prior period error	-	39	39
Additions	-	295	295
Disposals	-	(99)	(99)
TOTAL MINOR ASSETS	**3**	**15 757**	**15 760**

	Intangible assets	Machinery and equipment	Total
Number of R1 minor assets	-	5	5
Number of minor assets at cost	1	11 889	11 890
TOTAL NUMBER OF MINOR ASSETS	**1**	**11 894**	**11 895**

28.4.1 Prior period error

	Note	**2019/20**
	28.4	**R'000**
Nature of prior period error		
Relating to 2017/19 *[affecting the opening balance]*		39
Assets previously disposed or written-off, identified during asset count.		39
Relating to 2019/20		3
Assets previously disposed or written-off, identified during asset count.		3
Total prior period errors		**42**

It is noted to the reader of the Annual Financial Statements that the opening balance was adjusted with R0.039 million (42 assets). Assets previously removed from the asset register were identified during the 2020/2021 asset count. The disposals for the 2019/2020 financial year have been adjusted with R0.003 million (five assets). Asset written-off during the 2019/2020 financial year were found during the 2020/2021 asset count.

28.5 Movable assets written off

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

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

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2020

	Machinery and equipment	Total
	R'000	**R'000**
Assets written off	454	454
TOTAL MOVABLE ASSETS WRITTEN OFF	**454**	**454**

It is noted to the reader of the Annual Financial Statements that movable assets write-off for the 2019/2020 financial year have been restated with R0.051 million to include minor assets written-off as well as R0.018 million major assets incorrectly written-off.

29 Intangible Capital Assets

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

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
Software	1 394	-	248	-	1 642
TOTAL INTANGIBLE CAPITAL ASSETS	**1 394**	**-**	**248**	**-**	**1 642**

29.1 Additions

ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Cash	Non-Cash	(Development work in progress – current costs)	Received current year, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
Software	248	-	-	-	248
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	**248**	**-**	**-**	**-**	**248**

29.2 Disposals

DISPOSALS OF INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
Software	-	-	-	-
TOTAL DISPOSALS OF INTANGIBLE CAPITAL ASSETS	**-**	**-**	**-**	**-**

29.3 Movement for 2019/20

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

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

30. Immovable Tangible Capital Assets

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

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**9 939 793**	**-**	**221 762**	**-**	**10 161 555**
Dwellings	116 718	-	1 175	-	117 893
Non-residential buildings	9 823 075	-	220 587	-	10 043 662
Other fixed structures	-	-	-	-	-
HERITAGE ASSETS	**31 680**	**-**	**-**	**-**	**31 680**
Heritage assets	31 680	-	-	-	31 680
LAND AND SUBSOIL ASSETS	**578 578**	**-**	**-**	**-**	**578 578**
Land	578 578	-	-	-	578 578
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	**10 550 051**	**-**	**221 762**	**-**	**10 771 813**

30.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES	**54 478**	**221 762**	**(51 588)**	**(2 890)**	**221 762**
Dwellings	3 535	1 175	(645)	(2 890)	1 175
Non-residential buildings	39 749	220 587	(39 749)	-	220 587
Other fixed structures	11 194	-	(11 194)	-	-
HERITAGE ASSETS	**-**	**-**	**-**	**-**	**-**
Heritage assets	-	-	-	-	-
LAND AND SUBSOIL ASSETS	**-**	**-**	**-**	**-**	**-**
Land	-	-	-	-	-
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	**54 478**	**221 762**	**(51 588)**	**(2 890)**	**221 762**

Additions consists of Sec 42 transfers amounting to R171.472 million received in terms of the PFMA from user departments and transfers from List C to List A (Change in ownership from Municipality to Free State Provincial Government) amounting to R29.150 million and own projects capitalised amounting to R21.140 million.

The Department purchased a house for R2.890 million. This amount is included in "Cash Additions" however, it is deducted under the "Received current, not paid (Paid current year, received prior year)" column as the property was not registered in the Department's name by year-end.

30.2 Disposals

DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**-**	**-**	**-**	**-**
Dwellings	-	-	-	-
Non-residential buildings	-	-	-	-
Other fixed structures	-	-	-	-
HERITAGE ASSETS	**-**	**-**	**-**	**-**
Heritage assets	-	-	-	-
LAND AND SUBSOIL ASSETS	**-**	**-**	**-**	**-**
Land	-	-	-	-
TOTAL DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS	**-**	**-**	**-**	**-**

Included in the R8.883 million disclosed in note 2.3 is cash received that relates to properties that were sold in instalments, the change of ownership will only occur when the final amount is received by the Department. It will therefore not be disclosed in this note until the change of ownership occurs.

30.3 Movement for 2019/20

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**9 587 229**	**13 305**	**346 587**	**(7 328)**	**9 939 793**
Dwellings	122 394	(5 135)	-	(541)	116 718
Non-residential buildings	9 464 835	18 440	346 587	(6 787)	9 823 075
Other fixed structures	-	-	-	-	-
HERITAGE ASSETS	**31 680**	**-**	**-**	**-**	**31 680**
Heritage assets	31 680	-	-	-	31 680
LAND AND SUBSOIL ASSETS	**651 454**	**(14 384)**	**525**	**(59 017)**	**578 578**
Land	651 454	(14 384)	525	(59 017)	578 578
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	**10 270 363**	**(1 079)**	**347 112**	**(66 345)**	**10 550 051**

30.3.1 Prior period error

	Note	**2019/20**
	30.3	**R'000**
Nature of prior period error		
Relating to 2018/19 *[affecting the opening balance]*		(1 079)
Properties previously disclosed, however according to new information obtained, it is properties identified for Township Establishment. The Department also corrected classification differences between Dwellings, Non-Residential Buildings and Land.		(80)
WIP previously capitalised against the incorrect property.		(195)
Property consolidated and ownership changed to the Municipality.		(960)
Payment not previously included in capitalization of expenditure.		156
Total prior period errors		**(1 079)**

It is noted to the reader of the Annual Financial Statements that the Department corrected classification differences between Dwellings, Non-Residential Buildings and Land. The Department also identified two properties previously disclosed, however according to information obtained, it is properties identified for Township establishment. The Department also restated amounts due to the incorrect reporting of ready for use projects.

30.4 Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2021

	Note	Opening balance 1 April 2020	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2021
	Annex-ure 7	R'000	R'000	R'000	R'000
Buildings and other fixed structures		61 686	51 588	(35 849)	77 425
TOTAL		**61 686**	**51 588**	**(35 849)**	**77 425**

Included in the R35.849 million disclosed in the column "Ready for use (Assets to the AR) / Contracts terminated" is R21.289 million that was capitalised in the Immovable Asset Register (non-cash additions - Note 30.1), R14.373 million relates to projects completed for other spheres of Government and R0.187 million relates to a project that was removed from work-in-progress during the year as it was stopped due to vandalism.

Age analysis on ongoing projects	**Number of projects**	**2020/21**
	Planned, Construction started	**Total R'000**
0 to 1 Year	5	26 977
1 to 3 Years	7	28 654
3 to 5 Years	2	10 232
Longer than 5 Years	1	11 562
Total	**15**	**77 425**

The Department is in the process of upgrading a building in Thaba Nchu through massification. The Department anticipates that the project will be completed in the 2021/2022 financial year.

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2020

	Note	Opening balance 1 April 2019	Prior period error	Current Year WIP	Ready for use (Assets to the AR)) / Contracts terminated	Closing balance 31 March 2020
	Annexure 7	R'000	R'000	R'000	R'000	R'000
Buildings and other fixed structures		95 962	(3 543)	79 164	(109 897)	61 686
TOTAL		**95 962**	**(3 543)**	**79 164**	**(109 897)**	**61 686**

Included in the R109.897 million disclosed in the column "Ready for use (Assets to the AR) / Contracts terminated" is R0.399 million that was capitalised in the Immovable Asset Register (non-cash additions - Note 30.3), and the remaining R109.498 million relates to projects completed for other spheres of Government.

It is noted to the reader of the Annual Financial Statements that the 2018/2019 and the 2019/2020 amounts have been restated due to the incorrect reporting of ready for use projects.

Age analysis on ongoing projects	Number of projects	2019/20
	Planned, Construction started	Total
		R'000
0 to 1 Year	6	11 349
1 to 3 Years	11	24 845
3 to 5 Years	2	25 492
Longer than 5 Years	-	-
Total	**19**	**61 686**

It is noted to the reader of the Annual Financial Statements that the 2019/2020 amounts have been restated due to the incorrect reporting of ready for use projects.

30.5 S42 Immovable assets

Assets to be transferred in terms of S42 of the PFMA – 2020/21

	Number of assets	Value of assets
		R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**77**	**440 420**
Dwellings	4	2 050
Non-residential buildings	13	85 486
Other fixed structures	60	352 884
TOTAL	**77**	**440 420**

The Department incurred capital expenditure under its EPWP Township Revitalization Projects as well as improvements to Prestige Accommodation. These properties are not registered in the Free State Provincial Governments name and therefore do not form part of the Department's Immovable Asset Register. The R440.420 million disclosed above does not form part of the closing balance disclosed in Note 30. Transfer certificates were prepared by the Department; however, it was not signed by the relevant spheres of Government.

Assets to be transferred in terms of S42 of the PFMA – 2019/20

	Number of assets	Value of assets
		R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**79**	**453 851**
Dwellings	3	2 031
Non-residential buildings	14	91 197
Other fixed structures	62	360 623
TOTAL	**79**	**453 851**

The Department incurred capital expenditure under its EPWP Township Revitalization Projects as well as improvements to community halls. These properties are not registered in the Free State Provincial Governments name and therefore do not form part of the Department's Immovable Asset Register. The R453.851 million disclosed above does not form part of the closing balance disclosed in Note 30.3. Transfer certificates were prepared by the Department; however, it was not signed by the Municipalities.

It is noted to the reader of the Annual Financial Statements that the 2019/2020 amounts have been restated due to the incorrect reporting of ready for use projects.

30.6 Immovable assets (additional information)

			Note	2020/21	2019/20
a)	**Unsurveyed land**	**Estimated completion date**	*Annexure 9*	**Area**	**Area**
	None			-	-
b)	**Properties deemed vested**		*Annexure 9*	**Number**	**Number**
	Land parcels			70	70
	Facilities				
	Schools			70	70
	Clinics			4	4
	Hospitals			-	-
	Office buildings			14	14
	Dwellings			12	12
	Storage facilities			1	1
	Other			10	10
c)	**Facilities on unsurveyed land**	**Duration of use**	*Annexure 9*	**Number**	**Number**
	Schools			-	-
	Clinics			-	-
	Hospitals			-	-
	Office buildings			-	-
	Dwellings			-	-
	Storage facilities			-	-
	Other			-	-
d)	**Facilities on right to use land**	**Duration of use**	*Annexure 9*	**Number**	**Number**
	Schools			775	760
	Clinics			203	204
	Hospitals			1	1
	Office buildings			36	32
	Dwellings			-	-
	Storage facilities			-	-
	Other			91	91

		Note	2020/21	2019/20
e)	**Agreement of custodianship**	*Annexure 9*	**Number**	**Number**
	Land parcels		-	-
	Facilities			
	Schools		82	159
	Clinics		-	2
	Hospitals		-	-
	Office buildings		4	-
	Dwellings		-	-
	Storage facilities		-	-
	Other		1	-

31. Prior period errors

31.1 Correction of prior period errors

	Note	**Amount before error correction**	**Prior period error**	**Restated Amount**
		2019/20	**2019/20**	**2019/20**
		R'000	**R'000**	**R'000**
Expenditure:				
Goods and Services (Property Payments)	5	488 467	(4 667)	483 800
Goods and Services (Consultants: Business and Advisory Services)	5	712	4 667	5 379
Goods and Services (Contractors)	5	33 386	(32 842)	544
Goods and Services (Administrative Fees)	5	383	2 429	2 812
Goods and Services (Agency and support / outsourced services)	5	-	30 413	30 413
Goods and Services (Inventory - material and supplies)	5.4	6 196	(265)	5 931
Goods and Services (Inventory – other supplies)	5.4.1	833	265	1 098
Net effect		**529 977**	**-**	**529 977**

It is noted to the reader of the Annual Financial Statements that the 2019/2020 amounts regarding Property Payments (R4.667 million), Consultants: Business and Advisory Services (R4.667 million), Contractors (R32.842 million), Administrative Fees (R2.429 million) and Agency and support / outsourced services (R30.413 million), Inventory (material and supplies to other supplies) were restated with R0.265 million to ensure the correct classification of expenditure according to SCOA.

	Note	Amount before error correction	Prior period error	Restated Amount
		2019/20	2019/20	2019/20
		R'000	R'000	R'000
Assets:				
Accrued Departmental Revenue (Sale of capital assets)	22	9 765	318	10 083
Analysis of accrued departmental revenue (Opening Balance)	22.1	30 124	318	30 442
Movable Tangible Capital Assets (2019/2020 Disposals)	28.3	421	(18)	403
Movable Tangible Capital Assets (Furniture and Office Equipment)	28.3	16 478	9	16 487
Movable Tangible Capital Assets (Other machinery and Equipment)	28.3	7 416	10	7 426
Minor Assets (2019/2020 Disposals)	28.4	102	(3)	99
Minor Assets (Machinery and Equipment Opening Balance)	28.4	15 522	39	15 561
Movable Assets Written-off (Machinery and equipment)	28.5	421	33	454
Immovable Tangible Capital Assets	30.3	10 270 363	(1 079)	10 269 284
Capital Work In Progress (Opening Balance)	30.4	95 962	(3 543)	92 419
Capital Work In Progress (Ready for use)	30.4	83 152	26 745	109 897
Capital Work In Progress (Closing Balance)	30.4	91 974	(30 288)	61 686
Assets to be transferred in terms of S42 of the PFMA – 2019/2020	30.5	426 130	27 721	453 851
Net effect		**11 047 830**	**20 262**	**11 068 092**

Accrued Departmental Revenue - The amounts were restated due to the identification of two debtors that were omitted from the prior year disclosure.

An asset written-off during the 2019/2020 financial year was found during the 2020/2021 asset count. The opening balance was also adjusted because two assets previously sold for cash were identified during the 2020/2021 asset count.

Minor Assets: Assets written-off during the 2019/2020 financial year were found during the 2020/2021 asset count. The opening balance was also adjusted because assets previously removed from the asset register were identified during the 2020/2021 asset count.

Movable assets written-off: Movable assets write-off for the 2019/2020 financial year have been restated to include minor assets written-off.

Immovable Tangible Capital Assets: The Department identified two properties previously disclosed, however according to information obtained, it is properties identified for Township Establishment. The Department also restated amounts due to the incorrect reporting of ready for use projects as well as a property that was consolidated.

Capital work in progress and assets to be transferred in terms of S42 of the PFMA: The Department also restated amounts due to the incorrect reporting of ready for use projects as well as a property that was consolidated.

	Note	Amount before error correction	Prior period error	Restated Amount
		2019/20	**2019/20**	**2019/20**
		R'000	**R'000**	**R'000**
Other:				
Irregular Expenditure (Opening Balance 2019/20)	23.1	95 256	(75 962)	19 294
Irregular Expenditure (Relating to the current year)	23.1	28 353	(28 353)	-
Net effect		**123 609**	**(104 315)**	**19 294**

It is noted to the reader of the Annual Financial Statements that the opening balance for the 2019/2020 financial year has been restated with R75.962 million and "Irregular expenditure relating to the current year" with R28.353 million.

- *An investigation was finalised, and it determined that transactions amounting to R0.300 million did not meet the definition of irregular expenditure and it is therefore removed.*
- *The Department reviewed the 2018/2019 payment population and identified transactions amounting to R10.404 million where three quotations were not obtained.*
- *The Department incurred expenditure on leased properties where it has extended the lease contracts beyond its original expiry date. National Treasury SCM Instruction Note 3 of 2016/17 provides guidelines on the extension and variation of contracts. The application of the instruction note to property lease contracts are currently in dispute and therefore expenditure amounting to R86.066 million relating to the 2019/2020 opening balance and R28.353 million relating to the 2019/2020 financial year was removed from the main note as the Department will investigate the matter and solicit guidance from Provincial and National Treasury regarding the alleged irregularity.*

32. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF GRANT	GRANT ALLOCATION					SPENT				2019/20	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	Under / (Overspending)	% of available funds spent by department	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
EPWP Integrated Grant for Provinces	6 270	-	-	-	6 270	6 270	6 269	1	100.0%	6 966	6 966
	6 270	**-**	**-**	**-**	**6 270**	**6 270**	**6 269**	**1**		**6 966**	**6 966**

33. STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

	2020/21							2019/20	
	GRANT ALLOCATION				TRANSFER				
NAME OF MUNICIPALITY	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Division of Revenue Act	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
DIHLABENG	10 995	-	-	10 995	10 995	-	-	10 288	10 287
KOPANONG	7 378	-	-	7 378	7 377	-	-	6 723	6 722
LETSEMENG	2 569	-	-	2 569	2 568	-	-	2 454	2 453
MAFUBE	2 125	-	-	2 125	2 125	-	-	2 029	2 028
MALUTI-A-PHO-FUNG	65 633	-	-	65 633	65 632	-	-	74 714	73 567
MAN MANGAUNG	155 603	-	-	155 603	155 603	-	-	141 017	141 017
MANTSOPA	3 422	-	-	3 422	3 421	-	-	10 908	10 908
MASILONYANA	7 122	-	-	7 122	7 122	-	-	6 804	6 803
MATJHABENG	124 186	-	-	124 186	124 185	-	-	117 149	117 148
METSIMAHOLO	11 098	-	-	11 098	11 098	-	-	10 236	10 235
MOHOKARE	402	-	-	402	402	-	-	352	352
MOQHAKA	13 583	-	-	13 583	13 583	-	-	13 144	13 144
NALA	4 956	-	-	4 956	4 955	-	-	4 956	4 956
NGWATHE	7 499	-	-	7 499	7 499	-	-	8 089	8 088
NKETOANA	932	-	-	932	931	-	-	2 402	2 401
PHUMELELA	1 965	-	-	1 965	1 964	-	-	1 869	1 868
SETSOTO	14 067	-	-	14 067	14 066	-	-	14 067	14 066
TOKOLOGO	299	-	-	299	299	-	-	271	270
TWELOPELE	2 411	-	-	2 411	2 410	-	-	2 288	2 288
TOTAL	**436 245**	**-**	**-**	**436 245**	**436 235**	**-**	**-**	**429 760**	**428 601**

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

34. BROAD BASED BLACK ECONOMIC EMPOWERMENT PERFORMANCE

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

35. COVID 19 RESPONSE EXPENDITURE

	Note	**2020/21**	**2019/20**
	Annexure 11	**R'000**	**R'000**
Goods and services		70 181	-
Expenditure for capital assets		181	-
Total		**70 362**	**-**

ANNEXURE 1A

STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT				2019/20	
	DoRA and other transfers	Roll Overs	Adjust-ments	Total Avail-able	Actual Transfer	Funds Withheld	Re-alloca-tions by National Treasury or Nation-al Depart-ment	Amount received by municipal-ity	Amount spent by municipal-ity	Unspent funds	% of available funds spent by municipal-ity	Division of Revenue Act	Actual trans-fer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
DIHLABENG	10 995	-	-	10 995	10 995	-	-	10 995	-	-	-	10 288	10 287
KOPANONG	7 378	-	-	7 378	7 377	-	-	7 377	-	-	-	6 723	6 722
LETSEMENG	2 569	-	-	2 569	2 568	-	-	2 568	-	-	-	2 454	2 453
MAFUBE	2 125	-	-	2 125	2 125	-	-	2 125	-	-	-	2 029	2 028
MALUTI-A-PHOFUNG	65 633	-	-	65 633	65 632	-	-	65 632	-	-	-	74 714	73 567
MAN MANGAUNG	155 603	-	-	155 603	155 603	-	-	155 603	-	-	-	141 017	141 017
MANTSOPA	3 422	-	-	3 422	3 421	-	-	3 421	-	-	-	10 908	10 908
MASILONYANA	7 122	-	-	7 122	7 122	-	-	7 122	-	-	-	6 804	6 803
MATJHABENG	124 186	-	-	124 186	124 185	-	-	124 185	-	-	-	117 149	117 148
METSIMAHOLO	11 098	-	-	11 098	11 098	-	-	11 098	-	-	-	10 236	10 235
MOHOKARE	402	-	-	402	402	-	-	402	-	-	-	352	352
MOQHAKA	13 583	-	-	13 583	13 583	-	-	13 583	-	-	-	13 144	13 144
NALA	4 956	-	-	4 956	4 955	-	-	4 955	-	-	-	4 956	4 956
NGWATHE	7 499	-	-	7 499	7 499	-	-	7 499	-	-	-	8 089	8 088
NKETOANA	932	-	-	932	931	-	-	931	-	-	-	2 402	2 401
PHUMELELA	1 965	-	-	1 965	1 964	-	-	1 964	-	-	-	1 869	1 868
SETSOTO	14 067	-	-	14 067	14 066	-	-	14 066	-	-	-	14 067	14 066
TOKOLOGO	299	-	-	299	299	-	-	299	-	-	-	271	270
TWELOPELE	2 411	-	-	2 411	2 410	-	-	2 410	-	-	-	2 288	2 288
TOTAL	**436 245**	**-**	**-**	**436 245**	**436 235**	**-**	**-**	**436 235**	**-**	**-**		**429 760**	**428 601**

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

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2019/20
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
COM:LICENCES	18	-	(12)	6	5	83.3%	6
TOTAL	**18**	**-**	**(12)**	**6**	**5**		**6**

ANNEXURE 1G

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2019/20
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Employee Social Benefit	4 191	-	(479)	3 712	3 707	99.9%	4 525
Claims & Other Transfers	461	-	(337)	124	123	99.2%	40
TOTAL	**4 652**	**-**	**(816)**	**3 836**	**3 830**		**4 565**

ANNEXURE 1H

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2020/21	2019/20
		R'000	R'000
Received in kind			
Free State Provincial Treasury	Donation received from Provincial Treasury to minimise the risk of transmission of Covid-19:	6 655	-
TOTAL		**6 655**	**-**

ANNEXURE 1J

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation	2020/21	2019/20
	R'000	R'000
Made in kind		
Donation of blankets to the community.	-	298
Donation of food parcels to destitute families.	-	192
Donation of laptops to destitute learners.	-	49
TOTAL	**-**	**539**

ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2021

Nature of Liability	Opening Balance 1 April 2020	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31 March 2021
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Phela Umsebenzi Trading 48 CC (Breach of contract)	5 473	-	-	-	5 473
Mr C Moloi (Rental)	9 500	-	-	-	9 500
Kroon Pannelbeaters (Damage to property)	17	-	-	-	17
Ntsoaki Joyce Mokoena (Recovery of deductions)	77	-	-	-	77
Mangaung Urban Renewal Company (Pty) Ltd (Breach of contract)	-	32 791	-	-	32 791
R & B Construction (Services rendered)	2 210	-	-	-	2 210
Sheree Dawson (Damages to vehicle)	-	52	-	-	52
LMV Consulting Engineers (PTY) Ltd (Services rendered)	-	849	(849)	-	-
Afri Blaze Projects (PTY) Ltd (Rectification of Lease Agreement)	-	4 830	-	-	4 830
Zana Properties Trust	-	914	-	-	914
TOTAL	**17 277**	**39 436**	**(849)**	**-**	**55 864**

ANNEXURE 4

CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2020/21	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
Health	-	86	86	-	86	86	-	-
Human Settlements	-	16	-	-	-	16	-	-
COGTA	-	-	53	-	53	-	-	-
National Department of Employment and Labour	-	-	17	-	17	-	-	-
	-	**102**	**156**	**-**	**156**	**102**		**-**
Other Government Entities								
Fleet Management	-	-	116	-	116	-	-	-
	-	**-**	**116**	**-**	**116**	**-**		**-**
TOTAL	**-**	**102**	**272**	**-**	**272**	**102**		**-**

ANNEXURE 5

INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2020/21	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Current								
COGTA	-	-	372	372	372	372	-	-
Police, Roads & Transport	-	-	-	146	-	146	-	-
TOTAL INTERGOVERNMENT PAYABLES	**-**	**-**	**372**	**518**	**372**	**518**		**-**

ANNEXURE 6

INVENTORIES

Inventories for the year ended 31 March 2021	Material & Supplies	TOTAL
	R'000	R'000
Opening balance	358	358
Add/(Less): Adjustments to prior year balances	-	-
Add: Additions/Purchases – Cash	8 639	8 639
Add: Additions - Non-cash	-	-
(Less): Disposals	(2)	(2)
(Less): Issues	(8 898)	(8 898)
Add/(Less): Received current, not paid (Paid current year, received prior year)	-	-
Add/(Less): Adjustments	464	464
Add/(Less): Weighted Average Price Variance	2	2
Closing balance	**563**	**563**

Cash additions under goods and services amount to R8.010 million and under projects R0.629 million (Total: R8.639 million).

Inventories for the year ended 31 March 2020	Material & Supplies	TOTAL
	R'000	R'000
Opening balance	747	747
Add/(Less): Adjustments to prior year balances	-	-
Add: Additions/Purchases – Cash	10 622	10 622
Add: Additions - Non-cash	-	-
(Less): Disposals	(77)	(77)
(Less): Issues	(11 094)	(11 094)
Add/(Less): Received current, not paid (Paid current year, received prior year)	-	-
Add/(Less): Adjustments	164	164
Add/(Less): Weighted Average Price Variance	(4)	(4)
Closing balance	**358**	**358**

During the 2016/2017 financial year the Department opened a store in QwaQwa. The Department is still in the process of classifying the ICN's between Inventory and Consumables on LOGIS. This process resulted in the difference between the cash additions on BAS and LOGIS. Cash additions under goods and services amount to R9.394 million and under projects R1.616 million (Total: R11.010 million).

ANNEXURE 7

MOVEMENT IN CAPITAL WORK IN PROGRESS

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2021				
	Opening balance	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**61 686**	**51 588**	**(35 849)**	**77 425**
Dwellings	983	645	(1 194)	434
Non-residential buildings	48 790	39 749	(20 472)	68 067
Other fixed structures	11 913	11 194	(14 183)	8 924
TOTAL	**61 686**	**51 588**	**(35 849)**	**77 425**

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2020					
	Opening balance	Prior period error	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**95 962**	**(3 543)**	**79 164**	**(109 897)**	**61 686**
Dwellings	930	-	53	-	983
Non-residential buildings	72 318	(3 543)	13 228	(33 213)	48 790
Other fixed structures	22 714	-	65 883	(76 684)	11 913
TOTAL	**95 962**	**(3 543)**	**79 164**	**(109 897)**	**61 686**

It is noted to the reader of the Annual Financial Statements that the 2018/2019 and the 2019/2020 amounts have been restated due to the incorrect reporting of ready for use projects.

ANNEXURE 9

ADDITIONAL INFORMATION ON IMMOVABLE ASSETS

1. Deemed vested

Properties deemed to vest in the province in terms of the Constitution, but for which the vesting process has not been completed are not included in the asset register of the department, but a separate register, as title has not been endorsed as yet. However, as a result of the provincial function, the properties are managed by the provincial government and include the following:

	2020/21	2019/20
Properties deemed vested	**Number**	**Number**
Land parcels	70	70
Facilities		
Schools	70	70
Clinics	4	4
Hospitals	-	-
Office buildings	14	14
Dwellings	12	12
Storage facilities	1	1
Other	10	10

2. Facilities on land not surveyed

The Free State Department of Public Works and Infrastructure is not aware of any facilities on unserveyed land.

3. Facilities on land where a right to use exist

The following service delivery facilities were constructed on the land parcels of other custodians.

	2020/21	2019/20
Facilities on right to use land	**Number**	**Number**
Schools	775	760
Clinics	203	204
Hospitals	1	1
Office buildings	36	32
Dwellings	-	-
Storage facilities	-	-
Other	91	91

4. Agreement of custodianship reached

Where agreement of custodianship has been reached the properties were transferred in accordance with the requirements of Section 42 of the Public Finance Management Act.

	2020/21	2019/20
Agreement of custodianship	**Number**	**Number**
Land parcels	-	-
Facilities		
Schools	82	159
Clinics	-	2
Hospitals	-	-
Office buildings	4	-
Dwellings	-	-
Storage facilities	-	-
Other	1	-

5. Contingent assets

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

ANNEXURE 11

COVID 19 RESPONSE EXPENDITURE (Per quarter and in total)

Expenditure per economic classification	2020/21					2019/20
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Goods and services	**12 290**	**47 151**	**6 906**	**3 834**	**70 181**	**-**
Cons Supplies	4	1	57	8	70	-
Cons:Sta,Print&Off Sup	-	130	-	-	130	-
Contractors	9 277	31 923	-	957	42 157	-
Inv: Materials & Supplies	-	300	3	-	303	-
Inv: Other Supplies	-	17	-	-	17	-
Minor Assets	-	37	-	-	37	
Operating Leases	838	8 606	2 819	160	12 423	-
Property Payments	2 039	4 048	4 017	2 676	12 780	-
Rental & Hiring	132	2 089	10	33	2 264	-
Expenditure for capital assets	**-**	**181**	**-**	**-**	**181**	**-**
Other Machinery & Equipment	-	181	-	-	181	-
TOTAL COVID 19 RESPONSE EXPENDITURE	**12 290**	**47 332**	**6 906**	**3 834**	**70 362**	**-**

The Department received a R64 million allocation from Provincial Treasury for COVID-19 response expenditure. The allocation was not sufficient, and the Department allocated an additional R6.779 million from voted funds.

Notes

Notes