

GAUTENG PROVINCE
ROADS AND TRANSPORT
REPUBLIC OF SOUTH AFRICA

Gauteng Provincial Government: Department of Roads and Transport

VOTE No. 9

Annual Report 2020/21 Financial Year

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PART A:
GENERAL INFORMATION


BOMAG
FAYAT GROUP
BELL
Cold Asphalt

1. DEPARTMENT GENERAL INFORMATION

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2. LIST OF ABBREVIATIONS/ACRONYMS

AGSA	Auditor General of South Africa
AO	Accounting Officer
BAS	Basic Accounting System
BBBEE	Broad-Based Black Economic Empowerment
BRT	Bus Rapid Transit
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIDB	Construction Industry Development Board
CLLT	Computerised Learners Licence Testing
CoJ	City of Johannesburg
CoT	City of Tshwane
CSIR	Council of Scientific and Industrial Research
DDG	Deputy Director General
GDID	Gauteng Department of Infrastructure Development
DLTC	Driver Learner Testing Centres
DoH	Department of Health
DoRA	Division of Revenue Act
DPSA	Department of Public Service and Administration
EAFCU	Ethics, Anti-fraud and Corruption Unit
e - DRMS	electronic Document Record Management Solution
EIA	Environmental Impact Assessment
e - NaTIS	electronic National Traffic Information System
EPWP	Expanded Public Works Programme
EXCO	Executive Council
ESS	Employee Self Service
GCRA	Gauteng City Region Academy
GDARD	Gauteng Department of Agriculture and Rural Development
GDE	Gauteng Department of Education
GDRT	Gauteng Department of Roads and Transport
GIAMA	Government Immovable Asset Management Act
GEYODI	Gender Youth and People with Disabilities
GFIP	Gauteng Freeway Improvement Plan
GPG	Gauteng Provincial Government
GTIA	Gauteng Transport Infrastructure Act
HAST	HIV, AIDS, STI and Tuberculosis
HDI	Historically Disadvantaged Individuals
HIV/AIDS	Human Immune Deficiency Virus/ Acquired Immune Deficiency Syndrome

HoD	Head of Department
HR	Human Resource
ICT	Information Communication Technology
IFM	Integrated Fare Management
IDMS	Infrastructure Delivery Management System
IGR	Inter-Governmental Relations
IPTN	Integrated Public Transport Network
IRPTN	Integrated Rapid Public Transport Network
IT	Information Technology
ITMP25	25 Year Integrated Transport Master Plan
ITP	Integrated Transport Plans
JRA	Johannesburg Roads Agency
M&E	Monitoring and Evaluation
MEC	Member of Executive Council
MMC	Member of the Mayoral Committee
MoA	Memorandum of Agreement
MoU	Memorandum of Understanding
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
MVRA	Motor Vehicle Registration Authority
MVR&L	Motor Vehicle Registration and Licencing
NDoT	National Department of Transport
NDP	National Development Plan
NLTA	National Land Transport Act
NLTIS	National Land Transport Information System
NMT	Non-Motorised Transport
NRTA	National Road Traffic Act
NYS	National Youth Services
OHS	Occupational Health and Safety Act
OLAS	Operating Licence Administration System
ORTIA	O.R. Tambo International Airport
PAJA	Promotion of Administrative Justice Act
PCF	Premier's Coordinating Forum
PDI	Previously Disadvantaged Individuals
PDLTCs	Provincial Driver Learner Testing Centres
PERSAL	Personnel Salaries
PFMA	Public Finance Management Act
PMDS	Performance Management Development System
PRASA	Passenger Rail Agency of South Africa

PRMG	Provincial Roads Management Grant
PPP	Public Private Partnership
PSC	Public Service Commission
PTOG	Public Transport Operations Grant
RAMS	Road Asset Management System
RISFSA	Road Infrastructure Strategic Framework of South Africa
RMPTS	Road Maintenance Professional Teams
RNMS	Road Network Management System
RMTC	Road Traffic Management Corporation
SANRAL	South African National Roads Agency Limited
SCM	Supply Chain Management
SED	Socio-Economic Development
SLA	Service Level Agreement
SMF	Supervisory Monitoring Firms
SMS	Senior Management System
SRN	Strategic Road Network
SPTN	Strategic Public Transport Network
SMME	Small Medium Micro Enterprises
TDM	Transportation Demand Management
TMR	Transformation, Modernisation and Re-industrialisation
TOLABs	Transport Operating Licence Administrative Bodies
ToR	Terms of References
U-AMP	User Asset Management Plan
VTC	Vehicle Testing Centre

3. FOREWORD BY THE MEC



Mr. J. Mamabolo
MEC for Public Transport and Roads Infrastructure

The 2020/21 financial year marks an important period for the Department of Roads and Transport and broadly for the transport sector as whole due to adjustments we have had to implement to contend with a new environment of work.

It was indeed a time of adapt or die as the unprecedented COVID-19 lockdowns were implemented almost grinding to the halt, the entire economy of our province and the country. Our task moved from the ordinary delivery of transport infrastructure and systems to a more health-conscious role where the preservation of human life had to be embedded in all what we do. Consequently, our deployment of human resources had to follow a new paradigm. While our employees are critical in rendering services to the people of our province, it became even more critical that we adapt their work schedules and operations procedures so that they were not endangered by this important duty to serve. We had to be quick on our feet and make decisions so that continuity of services was guaranteed under very strenuous conditions.

This period was marked by a great deal of learning and relearning, aligning strategies and realigning them so that we could continue to render the services that underpin a great part of the economy of this province. Upon reflection, I am proud of the gallant nature of how our entire organisation was flexible and responsive to the conditions we had never anticipated in the beginning of the term of the sixth administration. While there are many areas of improvement, I believe our department was equal to the task at hand.

Never have we together with our partners run a mass campaign to make public transport safe for commuters, while ensuring that we prevent the spread of a deadly virus. Working with the minibus taxi industry, bus companies and our very own Gautrain Management Agency, we could wage a great defense for the people who rely on public transport to commute to work. This was by no means a light feat. We were able, during the period under review to forge new partnership, augment existing ones and ran what may be considered one of the most ambitious sanitisation programme in public transport. We mobilised resources ensuring that vehicles and public transport nodes were better prepared to minimize the spread of the virus in our spaces.

While we were seized with this program, we had to ensure that work on the ground continue. The road infrastructure had to be maintained at acceptable levels to make its usage safe and yet still support the grand vision of this administration: Growing Gauteng Together vision 2030. It took strong resolve and great collaboration for us to continue laying the building blocks that would not only help grow the economy but also set us on a new path of recovery following one of the biggest disruptions to our lives.

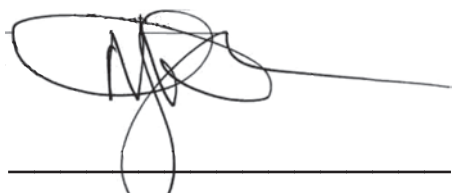
Since the adoption of our strategy, Growing Gauteng Through Smart Mobility we have been acutely conscious of the key role that the transport system plays in a growing economy. In making this a reality we focused our attention on key areas that could help us ready ourselves internally to deliver on the task of growing the economy of our province. Principal to these was prioritising the building of strong institutions to enable us to execute our vision. I am very pleased that progress has been made in this regard.
At the centre of the realignment of our institutional arrangements, we placed the operationalization of the Transport Authority of Gauteng (TAG) as the core of building an integrated transport system, underpinned by integrated planning at all spheres of government. In this period we have appointed a board, inclusive of our municipalities, to take the vision of an integrated transport system forward. Work continues to ensure that TAG is fully operational so that it realises its objectives.

In an effort to pull together all our planning, internally, we have operationalised the Transport Infrastructure House (TIH), our very own nerve centre. Through this institutional arrangement, we are now able, on a weekly basis, to intervene, speedily where there are problems in the implementation of our transport infrastructure projects. I am also pleased that we have also built a bridge between the department and private developers so that we promptly trouble shoot and unclog the pipeline, so that private developer projects are delivered efficiently. This for me is a game changer.

Work continues in ensuring that as we committed at the beginning of the term, we deliver world class intermodal facilities. Top priority was the Vereeniging intermodal facility which has stalled for many years. Through the work of the TIH, we are now are finalising the appointment of the GMA as the implementing agent for the delivery of this all-important facility. Leveraging on the GMA's experience in delivering such projects and continuously engaging with the taxi industry and other stakeholders, we are of a strong view that this project will finally be delivered.

We continue to support the Sedibeng District Municipality through our maintenance work in Emfuleni Local Municipality. In this regard, we have completed major rehabilitations of Moshoeshoe, Adams and Vilakazi Streets. Construction on other major arteries in the area are progressing well.
The work of the Commission of Inquiry into Taxi Violence is now complete. We have submitted the Commission's report to the Executive Council and now the hard work of implementing its findings has begun.

I wish to thank the Head of the Department Mr Makhukhu Mampuru and the capable men and women in our department for their diligence and support during this period. While challenges ahead of us are great, I believe, this team has shown that it is equal to the task.



Mr. J. Mamabolo
MEC for Public Transport and Roads Infrastructure
Date: 15 August 2021

4. REPORT OF THE ACCOUNTING OFFICER



Mr M. Mampuru
Accounting Officer

The financial year 2020/21 was ushered in with the South African President's declaration of a State of Disaster in March 2020 to address the COVID-19 pandemic sweeping across the world with a devastating impact. Thus, commenced the Department's year of smart adaptation, technological agility and leveraging of resources in the time of the COVID-19 pandemic. The Department responded immediately and effectively to the crisis as the Public Transport System was a mode through which the COVID-19 virus could spread. Ensuring the safety of the public transport system, the safe travel of frontline, health care and critical services workers to their jobs, transit commuters and its own employees became the imperative objective for the Department. Immediate steps were taken to implement its Public Transport COVID-19 Action Plan to respond to the pandemic.

The objective of the Plan was to leverage resources to minimize the spread and impact of COVID-19 in public transport modes, facilities, and commuters, through the implementation and monitoring of recommended international and national preventive interventions. These interventions, aligned to the national regulations, comprised of disinfection of public transport vehicles and facilities, sanitisation of commuters, monitoring and enforcement of commuting social distance, wearing of masks and limited capacity of passengers on public transport.

The Public Transport Coordination Centre was established and ensured regional coordination through the Department's five (5) Regional Offices to address the pandemic at a district level. Active collaboration became the norm and War Room Committees led by Members of the Mayoral Committees (MMCs) for Transport were set up representing Public Transport in all centres to slow the transmission of the virus.

The Department, working tirelessly with the volunteer sanitization team (OUTsurance and Scientology Volunteer Ministers), assisted with the daily deep cleaning, disinfecting, and sanitizing of public transport modes and facilities as well as commuters. This was completed throughout the Provincial Five Corridors (Ekurhuleni, Johannesburg, Tshwane; WRDM and Sedibeng). Departmental key officials and industry stakeholders conducted assessments of preventive measures implemented to prevent the spread of COVID-19 in public transport spaces. The Public Transport COVID-19 Programme continued to be successfully executed in all Local and District Municipalities throughout the national lock down levels through strong partnerships and coordination with public institutions and private-sector companies. The Department wishes to place on record its appreciation for the support received from Outsurance, Scientology Ministry, Taxi Finance, AngloGold Ashanti, Clinix Health Group, ARMSCOR, Minibus Taxi Industry, Bus Companies as well as Metro and District Municipalities in keeping Gauteng citizens safe during the pandemic.

Some of the key collaborations were also with other Gauteng Provincial Departments. The Department was effectively supported by the the Department of Community Safety and the Metro Police to monitor and enforce the public transport regulations of passenger capacity and wearing of masks. Joining forces with the Gauteng Department of Health enabled COVID-19 and other health comorbidities testing events to be conducted at public transport facilities. Further collaboration with the Gauteng Department of Education aided the registration of Learner Transport Operators on its new C-More App. The digital Application facilitated the distribution of disinfectants, sanitisers and Personal Protective Equipment (PPE) to keep learners safe while in transit when schools reopened.

Working continuously with the taxi industry enabled the Department in bringing transport operators to embrace unity in support of the efforts to fight the spread of COVID-19. This work was expanded to include a Taxi Cadet Programme with the recruitment of two thousand, three hundred and fifty-five (**2, 355) Cadets** from the taxi industry to provide much needed capacity to continue with the COVID-19 Programme. Unfortunately, the pandemic continues to have a severe socio-economic impact on the Province. The enforcement of non-pharmaceutical preventative measures of social distancing, disinfection and sanitisation remain an ongoing priority of the Department for the public transport operations. Until the country's population has been vaccinated, this remains the mainstay of the Department's Programme in defence of the pandemic.

The ongoing compliance to the implementation of the COVID-19 Disaster Management regulations resulted in the Department having to reprioritise its planned service delivery for the financial year 2020/21. Budgets and projects had to be adjusted to resource the Transport COVID-19 Programmes. Thus, its 5-year Strategic Plan and 2020/21 Annual Performance Plan (APP) were revised. The risk adjusted Strategic Plan and APP were implemented at the beginning of the second quarter of the financial year 2020/21 and this annual report outlines the Department's progress in achieving its plans.

Growing Gauteng Together Smart Mobility Plan - 2030

The Department launched its Growing Gauteng Together Smart Mobility Plan 2030 during its 2020 October Transport Month Campaign with a special focus on smart mobility as a key driver for economic growth in the Province.The Smart Mobility Plan is a roadmap aimed at addressing the City Region's transport challenges. The "Growing Gauteng Through Smart Mobility", strategy takes advantage of the province's current standing as a gateway to Africa and positions it as the freight and logistics hub of the Country and the African Continent.

The plan focuses on the current transport scene and consolidates these into an integrated plan, utilised to improve the current transport system. It is anchored around three key strategic areas namely, Infrastructure; Operations and Institutions which involves creating connected and integrated transport system for socio-economic development. This connectivity and integration cuts across all modes of transport forming a compact, integrated, and efficient transport system, leveraging upon available intelligent digital technologies. The Plan will remain the blueprint throughout the administrative term in transforming transport for the future.

Transport Authority for Gauteng

One of the priorities of the Smart Mobility Plan-2030 is the Transport Authority of Gauteng (TAG). The TAG was established in financial year 2019 and operated with an interim Board. During the financial year 2020/21 the finalisation of the TAG Board was completed. The Board will officially take office in April 2021 and will commence with leading the strategic direction of the Authority. One of the major lessons learnt from the COVID-19 pandemic is the importance of an integrated and collaborative approach to transport planning and implementation. TAG will be the critical in ensuring Municipalities and the Provincial Government align their transport planning towards developing a smart, integrated, efficient, and reliable transport system for the Province.

Delivering on Transport Infrastructure Investment

The devastating effect of COVID-19 on the Province's economy was immediate during the level five (5) hard lock down. Recognising the critical role of transport as a catalyst for the Province's economic recovery, it became critical for the provincial transport infrastructure to continue being upgraded and maintained. Major investment was undertaken in the upgrading and rehabilitation of identified roads to improve the rideability, safety and capacity of the roads for drivers, commuters, cyclists and pedestrians. During the challenging year of COVID-19, following road infrastructure projects were successfully completed;

The **P175/1 road rehabilitation from Vanderbijlpark to Potchefstroom - Phase 2** was completed. The project involved the rehabilitation of 11.8kms of road P175/1 from Vanderbijlpark to Potchefstroom. The P175/1 is a strategic route from the Vereeniging Region towards the North-West Province and serves as a distributor for the surrounding rural towns.

Under the Provincial October Transport Month theme, Smart Mobility #WhyItMatters, the re-opening of the **R17 million rehabilitated Snake Road (R23)** in Benoni, City of Ekurhuleni was launched. The rehabilitation project resumed in February 2020, following the development of a major sinkhole which posed a danger to road users. Snake Road is a major road which links various businesses and communities thus, playing an important role as a connector in the Local and Provincial economy.

The second large **sinkhole** occurred on the road shoulder of the North bound carriageway, at 6.00 kilometre along the **(M57) P122/1, North of Olifantsfontein, old Pretoria/ Kempton Park.** The road rehabilitation was completed in quarter two of the financial year 2020/21.

Delivering on Multi-Year Projects

The Department had five (5) strategic multi-year capital expenditure infrastructure projects continue during the year under review and looks forward to the completion over the medium term:

- **P39/1:** project involves rehabilitation of 14.45kms of road P39/1 between Diepsloot and Muldersdrift in the Westrand and will be completed in May 2021;
- **K54:** Mamelodi (Tsamaya Road) to R104 Pretoria Bronkhorstspruit Road which is the doubling of 9km of Greenfield for K54 (from K22 to K69);
- **K69:** Upgrading and doubling of 9kms of single carriage way Hans Strijdom (Solomon Mahlangu) from the N4 to Mamelodi to K54;
- **P156:**(R42) from P155/1 to D2563 Vanderbijlpark, and
- **P241/1:** serves as one of two main link roads between Johannesburg and Lenasia.

The improved quality of the roads will ensure a reduction in maintenance cost of vehicles, accidents, and travel times for citizens.

Supporting District Municipality Road Infrastructure Rehabilitation

The Department, in support of its Smart Mobility Plan – 2030 implementation, assisted the Sedibeng District Municipality with the rehabilitation of its road's infrastructure. The focus was in prioritising the delivery of an improved, quality state of road infrastructure and contribute to the Emfuleni Local Municipality economic growth. The three (3) rehabilitation roads projects were completed along Adams Road, Moshoeshoe and Vilakazi Streets in five (5) months with a cost of R9 million. The project included the rehabilitation of the pavement structure thereby, improving pedestrian safety by installing sidewalks as well as improving the functionality of drainage structures.

This support continues with the Emfuleni Road Upgrade Programme initiated in late November 2020, with the following streets prioritized for rehabilitation per township:

- **Three Rivers Township** – Gen Hertzog, Blackwood/Klipriver & Maribou – Construction commenced on the 26th February 2021,
- **Vereeniging Township** – Houtkop, Bobby Locke, Amm & Kwertal street – Construction commenced 15th February 2021, and
- **Vanderbijlpark Township** – Frikkie Meyer, Delfos & Qamata street – Construction commenced 15th February 2021.
- **Sharpville Township** – K55, Mareka, X1 Road B, X1 Road C & X3 Road A.
- **Sebokeng Township** – Moshoeshoe, Pilanesberg, Lombard Mbatha, Bonatla, Road 7 & Evaton street.

The rehabilitation projects are anticipated to be completed in the financial year 2021/22 and handed over to the Emfuleni Local Municipality.

Job creation

During a time of increased unemployment, the Department was proud to provide three thousand, eight hundred and seventy-one **(3, 871)** job opportunities through its transport infrastructure projects Expanded Public Work Programme (EPWP). The job opportunities were created in local communities thereby, providing many vulnerable unemployed persons with employment and skills development opportunities. Thirty-six **(36)** Contractors were also incubated in the Tswelopele Contractor Learner Development (TCLD) Programme for thirty-six (36) months. The TCLD Programme will expire at the end of June 2021 with all learner contractors registered with CIDB level 4 accreditation.

To provide critical capacity for the implementation of its Public Transport COVID-19 Programme two thousand, three hundred and fifty-five **(2, 355)** Minibus Taxi Cadets were recruited and registered from the Minibus Taxi Industry to assist with COVID-19 work at all public transport facilities. The Cadets included taxi rank managers and marshals and regional coordinators were registered per their region of operation and association.

The Department together with the Office of the Premier and the Council for Scientific and Industrial Research (CSIR) collaborated to assist with the registration of five hundred and fifty-two **(552)** Military Veterans (MV) on the existing Cadet Program. The inclusion of the MV cadets arose after an identification of a lack of capacity to monitor COVID-19 compliance in the Learner Transport Industry. Contributing to the youth employment intiative, a further forty-five (45) youth cadets were recruited to assist with COVID-19 screening in all GDRT worksites.

Improving Public Transport

The Bus Subsidy Programme was prioritised, as part of the SMART Mobility Plan - 2030, to be realigned more efficiently and effectively to provide safe, affordable, and reliable services to commuters. In conjunction with this, is the objective of empowering previously disadvantaged public transport operators in the Subsidy Programme. A pilot Bus Subsidy Empowerment Model with a previously disadvantaged public transport operator, Gauteng Coaches and Triponza JV was successfully negotiated. This is the first bus subsidy empowerment model which successfully incorporates both buses and taxis in a single joint venture contract service. The contract was signed in May 2021 and will be operational during the financial year 2021/22.

Another major improvement completed in the Bus Subsidy Programme was the introduction of electronic monitoring system on all contracted subsidised buses. The electronic monitoring of subsidised bus services was prioritised to improve the reliability, safety and services of busses operating on identified routes. The system intends to bring about further efficiencies in the Subsidised Bus Programme for the benefit of commuters.

Commission of Inquiry into Taxi Violence Report

Despite the challenges of COVID-19, the Commission of Inquiry into Taxi Violence successfully concluded its mandate and presented its report to the Gauteng Premier in February 2021. The work of the Commission is one of the most important foundations laid towards improving the public transport system and integrating the taxi industry with other modes. Of importance, are the findings and recommendations the Commission proposed for immediate implementation. Its findings and recommendations have given the Department an important road map to not only transform the taxi industry, but to also improve departmental processes towards effective service delivery to the public transport sector and citizens of Gauteng.

Gautrain Recovery

Along with every major public transport system in the world, the COVID-19 pandemic has had a number of significant effects on the Gautrain. The pandemic and the various levels of lockdown required an immediate and focused response from the Department and the Gautrain Management Agency (GMA). We are proud that Gautrain was among the first public transport systems to reopen in early May 2020, and we are proud that it did so safely and with minimum disruption from theft and vandalism of assets that bedevilled other national infrastructure assets in South Africa.

Transport Service Centers

The level 5 hard lockdown saw the closure of all Transport Services Centers such as Driver Learner Testing Centers (DLTCs), Motor Vehicle Registering Authorities and Vehicle Testing Stations. Immediate steps were taken during this period to implement a State of Readiness Programme to prepare the service centers for the re-opening. This included disinfection of facilities, distribution of Personal Protective Equipment (PPE), training of staff on COVID-19 prevention protocols and implementing information technologies to enhance services and communication with clients. Once services resumed, continuous audit assessments were undertaken to ensure safety protocols were in place to keep both the public and employees safe. In a bid to improve and enhance assistance to driving licence holders following the publication of the gazette for extension on the renewal of driver licences, the Department, Road Traffic Management Corporation (RTMC) and Municipalities introduced various strategies to improve services to the public.

Revenue Maximisation

The COVID-19 Disaster Management regulations stipulated the closure of the Driver Licence and Testing Centers (DLTCs) which are the main revenue generator of the Department. Furthermore, in July 2020, the Minister of Transport published Regulations (Government Gazette: 43539 (vol. 661), which provided for “all learner’s licences, driving licence cards, temporary driving licences and professional driving permits that expire during the period that commenced from 26 March 2020 up to and including 31 August 2020 are deemed to be valid and their validity period is extended for a further grace period ending on 31 January 2021”.

In compliance to the regulations and the anticipated risk of infections occurring at the DLTCs, the Department revised its annual revenue target to R3 billion. However, despite the challenges of DLTCs closures due to multiple COVID-19 infection incidents, the revenue generated exceed the planned target with revenue collection at **R4, 357 billion**. The success of this is due to overcollection by agents surrendering revenue timeously to the Department and the extended opening hours of the centres to address the demand for services and backlogs.

Organisational technological adaptation

Adaptation to the new normal working conditions due to COVID-19 were quickly implemented to ensure business continuity and service delivery to the public continued uninterrupted. Aligned to the Public Service regulations, the Department re-determined the working arrangements of employees to safeguard the health and lives of all employees and service recipients. New work policies, protocols, tools and safe working procedures were introduced. Information technological capabilities were introduced and adapted within the entire organisation to support both remote working and onsite staff. A COVID-19 Screening App with Department of e-GOV was developed for entrances at all various Gauteng Department of Roads and Transport (GDRT) regions to support a safe working environment.

CHALLENGES:

The year was unfortunately not without major challenges in the delivery of services. Public transport ridership was reduced to between 70% - 90% throughout the world which caused public transport operators to ask for additional government assistance. Buses were required to load up to 50% of loading capacity, resulting in 50% revenue loss (reduced fare box due to 50% less in ticket sales). The Taxi Industry experienced loss in revenue due to loading capacity regulation only to revert to 100% capacity. Consequently, the Department had to intensify its COVID-19 Programme to address these challenges. The disinfecting of buses, taxis and Learner Transport vehicles and sanitisation of commuters came as an additional cost to bus operators and the Department resulting in budgets being reprioritised to meet the transport COVID-19 emerging priorities.

A major impact of the pandemic and the lockdowns was the reduction in passengers on the Gautrain. Major public transport systems around the world have experienced up to 90% loss in passengers due to the pandemic. At the end of the financial year 2020/21, passenger demand was 30 per cent of pre-COVID-19 levels after a slow recovery from the shutdown of all rail systems in the country.

The Gautrain has a patronage guarantee as part of the Public Private Partnership (PPP) agreement signed with the concessionaire, Bombela Concession Company. The agreement states that if revenue drops below the contractually set amount, the concessionaire is also liable for losses as the patronage guarantee is capped. This risk sharing provision required an additional budget allocation of R389 million to the Gautrain Management Agency (GMA) as part of the Medium-Term Budget Policy Statement Budget in October 2020.

The focus of the Department and the GMA is now in two areas; growing the confidence of the public in Gautrain as a safe and reliable public transport system and maintaining long term planning objectives so as to deliver expanded and extended rail systems in Gauteng in line with the Premier's Programme of Growing Gauteng Together and with the Province's 25-year Integrated Transport Master Plan.

Transport Service Centres (DLTCs and TOLABS) experienced closure due to COVID-19 infections resulting in backlogs and long ques. Consultations and engagements with stakeholders took longer due to capacity issues and social distancing, this impacted on the finalisation of consultative processes.

The delivery of CAPEX road infrastructure projects experienced various setbacks during the financial year under review. During the First quarter, the CAPEX road construction and rehabilitation projects can to a standstill due to the 1.5 months closure of infrastructure projects in compliance with the National Disaster Management Regulations, Level 5 hard lockdown.

Community stoppages also saw ongoing projects being halted. These resulted in delays on projects with contractors having to request additional time to continue their work packages. Also, in Quarter one the Department's procurement strategy was negatively impacted as tenders on critical COVID-19 related procurement were processed. Adjudication of tenders were also halted and only in Quarter two, the Department was able to recommence with infrastructure procurement. Site briefings and Open tender adjudication were also delayed due to the COVID-19 pandemic.

The Department, to ensure its projects were rolled out, had to implement an online open tender adjudication process which took time in setting up resulting in many projects being delayed or stopped.

- **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	3, 977, 523	4, 357, 924	(380, 401)	4, 025, 181	4 135, 192	(110, 011)
Casino taxes	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-
Motor vehicle licences	3, 977, 523	4, 357, 924	(380, 401)	4, 025, 181	4, 135, 192	(110, 011)
Sale of goods and services other than capital assets	88, 611	48, 402	40, 209	83, 991	60, 682	23, 309
Transfers received	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-
Interest, dividends and rent on land	71	8	63	67	13	54
Sale of capital assets	-	-	-	-	-	-
Financial transactions in assets and liabilities	1, 768	251	1, 517	1, 676	327	1, 349
Total	**4, 067, 973**	**4, 406, 585**	**(338, 612)**	**4, 110, 915**	**4, 196, 214**	**(85, 299)**

The Department is the main contributor towards its own revenue generated in the Province. This revenue is primarily generated through tax receipts arising from motor vehicle registration and licencing fees. Motor vehicle licencing is by far the most important and productive source of revenue for the Department. This Department is the major contributor to the Provincial Revenue Fund (PRF) and thus, the Department accounts for over half of GPG's own revenue collection.

In generating this revenue, the Department is also liable for direct charges which include amounts deducted from collected revenue to reimburse the primary collectors/agents of that revenue on behalf of the Department. The other departmental revenue items are minor in comparison. In concluding the estimates, the following factors were considered, namely:

- Consumer Price Inflation Index (CPIX),
- Vehicles on the road,
- Direct cost expected to be paid from the revenue account,
- Interest and penalties expected to be received,
- Previous revenues collected, and
- Trends in the motor industry in the country.

Departmental revenue continued to increase from R3.7 billion in the financial year 2017/18 financial year to R4.1 billion in the financial year 2019/20. This increase relates to an increase in vehicles on the road and annual increases in tariffs combined with efficient revenue collection. The COVID-19 pandemic has caused a major decline in revenue collection in most revenue collecting institutions and the Department. It is an apparent fact that upscaling revenue collection during the current COVID-19 pandemic is a challenging task. This has led to the Department agreeing with Provincial Treasury to adjust from its main revenue appropriation estimate from R4 billion to R4.1 billion for the financial year under review (2020/21).

However, since the revenue collecting centres are fully operational since the lowering of lockdown regulations, collection of revenues is gradually increasing through implementing traditional strategies of rigorous follow-ups to enforce municipalities (agents) to surrender the revenues collected. It is therefore projected that the adjusted revenue estimate of R4 billion will be achievable in the financial year 2020/21.

Over the 2021 Medium Term Revenue Framework (MTRF) period, revenue is estimated to increase from R4.4 billion in financial year 2021/22 to R4.8 billion in the financial year 2023/24, increasing by an annual average growth of ten percent (10%).

The second contributor to revenue generation is sales of goods and services other than capital assets which consist of sales of tender documents. The growth in revenue from this source over the years was due to high sales of documents to prospective tenderers.

Interest, dividends and rent on land mainly consists of items such as interest on staff debts, a minor contributor to the total revenue collection. The inconsistent trend can be attributed to the difficulty in accurately projecting for these items owing to their uncertain nature.

The Department also collects revenue from transactions in financial assets and liabilities which consists of fees for the recovery of debts. The variations over the seven years under review can be attributed to the challenges in the budgeting for its uncertain nature.

- **Programme Expenditure**

Programme Name	2020/21			2019/20		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000					
1. Administration	334, 933	314,878	20,055	383, 279	334, 097	49, 182
2.Transport Infrastructure	2, 182, 619	1,790,721	391,898	2, 240, 490	2, 159, 347	81, 143
3.Transport Operations	2, 854, 953	2,083,940	771,013	2, 689, 995	2, 226, 733	463, 262
4.Transport Regulation	324, 733	251,765	72,968	332, 942	289, 325	43, 617
5. Gautrain	2, 680, 758	2, 680, 758	-	2, 153, 314	2, 153, 314	-
Total	**8, 377, 996**	**7, 122, 062**	**1, 255, 934**	**7, 800, 020**	**7, 162, 816**	**637, 204**

The table above indicates the services of the Department categorised under the programmes, which are fully aligned to the uniform budget and programme structure for the transport sector. The Department continuously aims to spend the total allocated budget to ensure the delivery of quality service, however the underspending almost doubled in value in comparison to the previous financial year, from R637.204 million in 2019/20, to R1.255 billion in the financial year 2020/21. The reasons for the underspending are provided in detail below, both in relation to the programmes, economic classification and conditional grants.

Programme 1: Administration: This Programme is responsible for the administrative functions of the Department. The increase of the budget in financial year 2020/21 as well as the budget adjustments made were to allow the Department to respond to the additional outputs for the Growing Gauteng Together (GGT) 2030, however the budget was reprioritised to the fight against the COVID-19 pandemic, particularly in relation to protecting staff. The Department will continue with the commitment of managing expenditure within this Programme to align with National and Provincial cost-containment measures while supporting the core programmes.

Programme 2: Transport infrastructure: This Programme is the main core function of the Department, unfilled vacant posts as well as Maintenance projects' contracts that were not issued in time are the main cause of the underspending.

Programme 3: Transport Operations: The underspending within this Programme was mainly because of Bus subsidies – decrease of services by operators due to the lower travel usage by commuters.

Programme 4: Transport Regulation: The underspending within this programme resulted from unfilled vacant posts, the allocation for the taxi support that was supposed to be transferred to the Taxi Industry Trust that could not be made because of administrative challenges, as well as the lower than usual operating licencing applications processed during the COVID-19 lockdown period.

Programme 5: Gautrain: All transfers to Gautrain were made in line with the financial year 2020/21 payment schedule.

Economic classification	2020/21			2019/20		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000					
Current Payments	**2,216,800**	**1,880,960**	**335,840**	**2,394,927**	**2,275,411**	**119,516**
Compensation of employees	769,687	705,571	64,116	750,285	673,426	76,859
Goods and services	1,447,053	1,175,360	271,693	1,644,442	1,601,968	42,474
Interest and rent on land	60	29	31	200	17	183
Transfers and Subsidies	**5,462,802**	**4,721,913**	**740,889**	**4,778,943**	**4,330,252**	**448,691**
Provinces and municipalities	2,800	2,076	724	1,939	1,939	-
Departmental agencies and accounts	2,680,758	2,680,758	-	2,153,314	2,153,314	-

Economic classification	2020/21			2019/20		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000					
Public corporations & private enterprises	2,750,895	2,011,495	739,400	2,615,700	2,167,575	448,125
Non-profit institutions	20,000	20,000	-			
Households	8,349	7,584	765	7,990	7,424	566
Payment for Capital Assets	**698,394**	**519,189**	**179,205**	**626,134**	**557,138**	**68,996**
Buildings and other fixed structures	681,813	515,302	166,511	601,555	544,246	57,309
Machinery and equipment	15,990	3,836	12,154	18,228	7,601	10,627
Software and other intangible assets	591	51	540	6,351	5,291	1,060
Payment for Financial Assets	**-**	**-**	**-**	**16**	**16**	**-**
Payment for financial assets	-	-	-	16	16	-
Total	**8,377,996**	**7,122,062**	**1,255,934**	**7,800,020**	**7,162,817**	**637,203**

Compensation of employees: The Department was engaged in the organisational structure review for the year which was not finalised by the end of the year. This meant that posts could not be filled as required and therefore resulted in the underspending of this item.

Goods and services: The bulk of the underspending is due to the Maintenance projects that are funded within this item - there were drastic delays in the appointment of new routine maintenance contracts during the year, resulting in some projects not spending the allocated budget. Also, the working from home arrangements during the COVID-19 lockdown period resulted in the under-utilisation of resources, and therefore resulted in underspending of some of the good and services items.

Public corporations and private enterprises: The drastic reduction of the travel demands during the financial year as a result of the COVID-19 lockdown period resulted in massive underspending of the subsidies. Also, the delay in the appointment of the new bus contracts, the Did Not Operate (DNOs) and

the payments due for March 2021 that could not be made before the payment cut-off date in March 2021 increased the underspending drastically.

Buildings and other fixed structures: The Construction programme's projects experienced delays in the appointment of service providers, e.g. K148, K46, K73, K101 and D483; the effects of the COVID-19 pandemic and the closure of the project sites resulted in several projects not incurring expenditure for about Two (2) months; and the project stoppages for P39/1, K54 and K69 resulted in a drastic reduction in expenditure - all increased the underspending within this item.

Machinery and equipment: The working from home arrangements during the COVID-19 lockdown period resulted in the under-utilisation of resources, such as the photocopy machines and the government cars (the finance leases are funded in capex) and therefore resulted in underspending of this item.

The Department has fully spent the Provincial Road Maintenance Grants (PRMG) and the Expanded Public Work Programme (EPWP) Incentive grants over the last 2 financial years. As explained above, the Department has regrettably only spent about 73% of the Public Transport Operations Grant (PTOG) because of the following:

- The travel demands were drastically reduced during the 2020/21 financial year due to the COVID-19 lockdown period, and this resulted in massive underspending of the subsidies.
- The delay in the appointment of the new bus contracts.
- The Did Not Operate (DNO) – penalties levied against the operators based on the contractual obligations; and
- The payments due for March 2021 that which could not be made before the payment cut-off date in March 2021 as the month was not yet complete.

Virements/roll-overs

The Department did not request any rollover of funds for the 2020/21 financial year.

The Department effected year-end shifts and virements throughout all the Programmes and items. The main aims of these shifts and virements were:

- To ensure that there was no unauthorised expenditure within all the Programmes (main divisions).
- To correct any errors which were identified post the November 2020 Main Adjustments: and
- To ensure that the budget and expenditure were correctly aligned, particularly in the infrastructure portfolio (Programme 2).

The summary of the shifts and virements effected is as per the table below:

PROGRAMMES R'000	Adjusted budget	Shifts from	Shifts to	Virements from	Virements to	Year-end Adjusted Appropriation
Programme 1: Administration	327,033	(12,112)	12,112	-	7, 900	334,933
Programme 2: Transport Infrastructure	2,190,519	(187,263)	187,263	(7,900)	-	2,182,619
Programme 3: Transport Operations	2,854,953	(412)	412	-	-	2,854,953
Programme 4: Transport Regulation	324,733	(26,081)	26,081	-	-	324,733
Programme 5: Gautrain	2,680,758	(15,000)	15,000	-	-	2,680,758
TOTAL	**8,377,996**	**(240,868)**	**240,868**	**(7,900)**	**7,900**	**8,377,996**

Unauthorised expenditure

The Department has effectively monitored and controlled its spending patterns to ensure the prevention of Unauthorised Expenditure. There is no Unauthorised Expenditure for the financial year 2020/21.

Public Private Partnerships (PPPs)

- The Department did not enter PPPs during the year under review.
- The existing PPP is the Gautrain Rapid Link Project with the Bombela Consortium.

Discontinued activities / activities to be discontinued.

None

New or proposed activities

None

Supply Chain Management (SCM)

- **List all unsolicited bid proposals concluded for the year under review.**
  The Department did not participate in any unsolicited bid proposals for the financial year under review.

- **Indicate whether SCM processes and systems are in place to prevent irregular expenditure.**
  The incurrence of irregular expenditure relating to bus subsidy contracts continue to pose a challenge. The Department has commenced with a competitive tender process to address the matter of appointing service providers on new bus contracts.

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

Challenges	Resolutions
Internal deficiencies in planning from our implementing business units and constraints on SCM capacity.	The Department has commissioned an organizational structure review from which we intend to address the internal deficiencies.
The administration of the probity audit process and outcomes thereto.	The function of the probity audit services has been decentralized to the Department as from April 2020 and the Department has implemented new measures to improve the performance management of our Probity Audit Services.
Legal engagement / opinions required due to the public adjudication of tenders.	The matters are ongoing per case.

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

Statement of Gifts, Donations and Sponsorships received.

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2020/21
Received in kind		
Gauteng Department of Health	Sanitisation 25l (1, 824 quantity) and 500ml (25 700 quantity)	4, 199
Anglogold Ashanti	1, 000 litres* 52 water tanks	445
Avbob	Disinfectant's solution	21
Calliper	1, 000 surgical face masks	10
NDOT	130 overalls	
Jordan Construction	12*25 litres Hand Sanitizers, 12*25 litres Surface disinfectant, 6*25 litres hand Sanitizers, 6*25 litres disinfectants, 150 reusable face musk	111
King civil engineering	150 face shields	42
Scientology	Sanitisation services, 30*30 pressure high sprayers, 25L*100 Sanitizers, 100 Rank posters, 5, 000 face masks, 7-foot hand sanitiser machine, 10, 000 Alcohol free hand sanitiser	1, 800
SA Taxi Donor	20* 5*20 litre alcohol free hands sanitizer, 25LTRS of sanitizers = X 4, 400, 500ML of sanitizers = X 2, 000, X 6, 000 gloves, Outsurance point men (Personnel), Media plan	678
Clinix	Training	-
NDOT	1, 100 sanitisers	27
TOTAL		**7, 333**

NATURE OF GIFT, DONATION OR SPONSORSHIP	2020/21
	R'000
Made in kind	
FACILITY: ALBERTON TAXI RANK	10
FACILITY: DOBSONVILLE JOHANNESBURG ROAD AGENCY	40
METRO RAIL ROLLING STOCK DEPOT BRAAMFONTEIN	100
FACILITY: PARK STATION	650
FACILITY: PARK STATION - PRETORIA TRAIN STATION	90
FACILITY: SPRINGS ROADS & STORMWATER DEPOT	35
FACILITY: TAXI SANITIZATON	17, 565
FACILITY: WEST RAND TAXI ASSOCIATION OFFICES	600
FACILITY: DEPT OF ROADS AND TRANSPORT, G FLEET	10
TOTAL	**19, 090**

Exemptions and deviations received from the National Treasury.

1. Security Contracts

Events after the reporting date

None.

Other

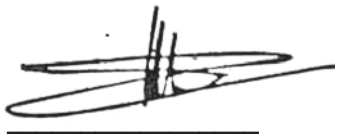
None

Acknowledgement/s or Appreciation

I wish to convey my sincere thanks and appreciation to the Transport fraternity on their continued support and engagement with the Department during the challenging year of the COVID-19 pandemic. Success was achieved through all stakeholders working together in an integrated approach with the common aim of saving lives. Working towards the safe transit of the Gauteng citizen enabled the Department in

curbing the spread of the COVID-19 through the public transport system. My gratitude also extends to the valuable staff of the Department for their tireless commitment and dedication in working during difficult times. I would also like to express my condolences to those transport employees who lost their lives in the line of duty, your contribution will not be forgotten. Finally, to the frontline, health care and critical services workers, we salute you as the transport fraternity for your continued and selfless work to the citizens of Gauteng during the pandemic.

Approval and sign off.



Mr M Mampuru
Accounting Officer
Department of Roads and Transport
Date: 15 August 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 as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

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

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

Yours faithfully



Mr M Mampuru
Accounting Officer
Department of Roads and Transport
Date: 15 August 2021

6. STRATEGIC OVERVIEW

6.1 Vision

Growing Gauteng together through smart mobility-2030

6.2 Mission

To facilitate and provide an integrated transport system that:

- Is reliable, accessible, safe, and affordable.
- Promotes seamless mobility and social inclusion.
- Is environmentally sustainable; and
- Supports industrialisation and radical socio-economic transformation.

6.3 Values

The Department of Roads and Transport is guided by the following values:

CORE VALUES/ PRINCIPLES	
Innovative	Continuously exploring new and creative methods to improve and fast track service delivery
Good governance	Facilitate an inclusive government that ensures integrity, transparency, accountability and trustworthiness.
Teamwork	Promote consultation, accessibility and cooperation in our activities.
Professionalism	Ensure high level of competence, efficiency, and good work ethic in executing our duties.
Commitment	To remain dedicated in rendering high quality services to the citizens.
Ethical	We commit to be principled, fair and just in our conduct and in service to the people of Gauteng.
Responsiveness (Activist)	Our staff will be proactive, approachable, receptive, and be quick to respond to needs of the citizens.

7. LEGISLATIVE AND OTHER MANDATES

The Republic of South Africa Constitution (1996) grants all Provinces with concurrent competencies. The Department ‘s mandate is derived by the following list of National and Provincial laws and policies.

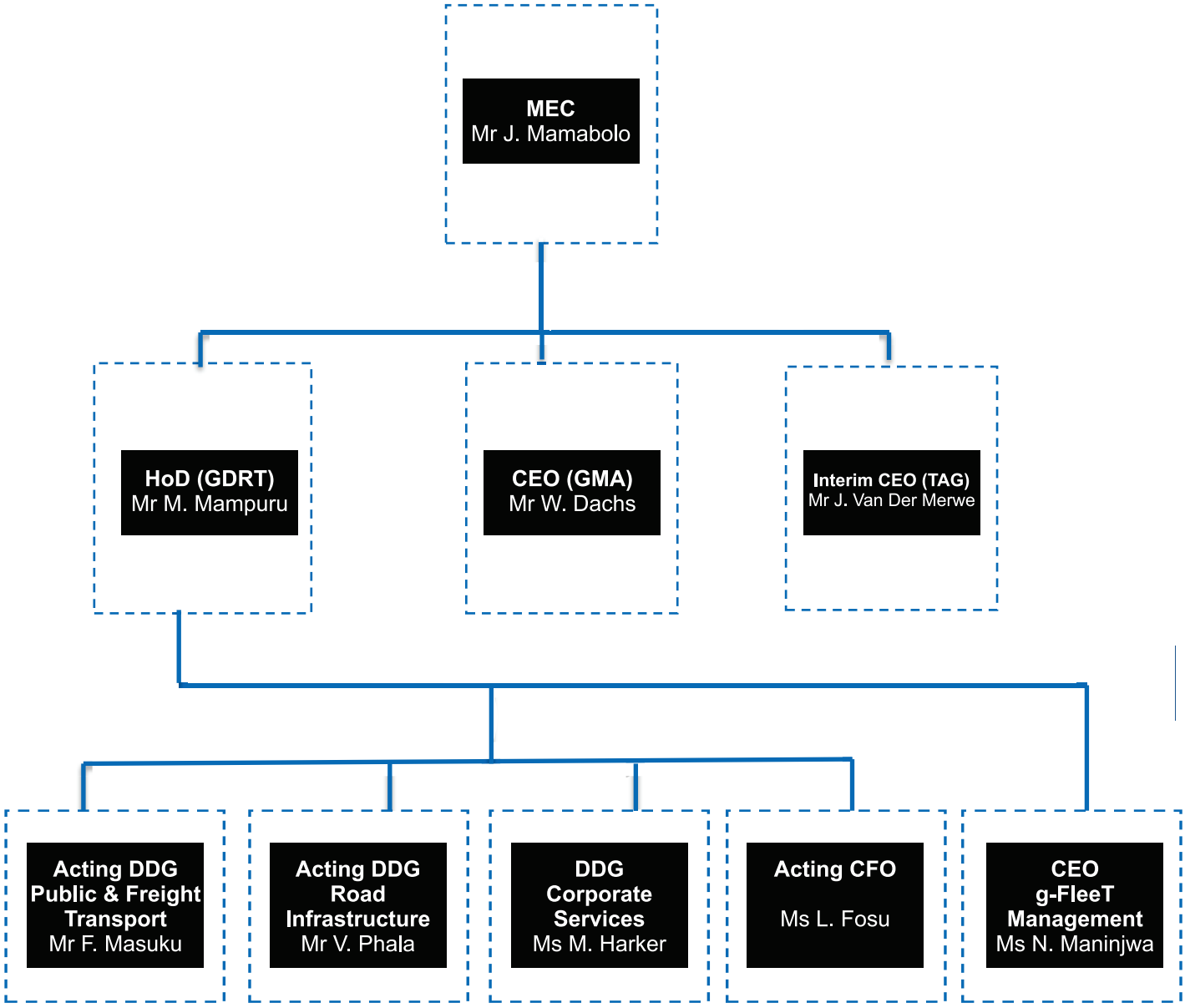
National Policy and Legislative Mandates

Legislation	Act / Policy
Administrative Adjudication of Road Traffic Offences Act	Act 46 of 1998
Advertising on Roads and Ribbon Development Act	Act 21 of 1940
Construction Industry Development Board Act	Act 38 or 2000
Cross-Border Road Transport Act	Act 4 of 1998
Deeds Registration Act	Act 47 of 1937
Division of Revenue Act (DORA)	Act 1 of 2010
Environmental Conservation Act	Act 73 of 1989
Government Immoveable Assets Management Act	Act 19 of 2007
Inter -Governmental Relations Act	Act 97 of 1997
National Land Transport Act	Act 5 of 2009
National Land Transport Strategic Framework	Section 21 of Act 22 of 2000
National Road Traffic Act	Act 93 of 1996
National Road Traffic Safety Act	Act 12 of 1972
Preferential Procurement Policy Framework Act	Act 5 of 2000
Promotion of Access to Information Act, (PAIA)	Act 2 of 2000
Promotion of Administrative Justice Act (PAJA)	Act 3 of 2000
Public Administration Management Act	Act 11 of 2014

Provincial Policy and Legislative Mandates

Legislation	Act / Policy
Gauteng Planning and Development Act	Act 3 of 2003
Gauteng Road Infrastructure Act	Act 8 of 2001
Gauteng Transport Framework Revision Act	Act 8 of 2002
Gauteng Transport Infrastructure Act	Act 8 of 2001
Gautrain Management Agency Act	Act 5 of 2007
Gauteng Transport Authority (GTA) Act	Act 2 of 2019
Growing Gauteng Together 2030	Policy
Provincial Road Traffic Act	Act 10 of 1997

8. ORGANISATIONAL STRUCTURE



9. ENTITIES REPORTING TO THE MEC

Gautrain Management Agency

The Gautrain Management Agency (GMA) is a schedule 3C public entity that is under the oversight of the MEC for Public Transport and Roads Infrastructure. The MEC is the Executive Authority of the GMA and the GMA Board is the Accounting Authority as contemplated in the PFMA. The GMA Board is appointed by the MEC.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
Gautrain Management Agency	Gautrain Management Agency (GMA) has been established in terms of the GMA Act and listed under Schedule 3 (c) of the Public Finance Management Act (PFMA) as a Provincial Public Entity. National Policy and Legislative Mandates: • Constitution of the Republic of South Africa (1996). • National Land Transport Act, Act 5 of 2009. • Public Finance Management Act No. 1 of 1999. • Environmental Conservation Act No. 73 of 1989. • National Railway Safety Regulator Act No. 16 of 2002. • National Treasury Regulations. • Division of Revenue Act. • Consumer Protection Act No. 68 of 2008. • Preferential Procurement Policy Framework, Act 5 of 2000. • Protection of Personal Information Act, Act 4 of 2013. • Employment Equity Act, Act 55 of 1998. • Companies Act, Act 71 of 2008. • Minimum Information Security Standards Act. • Electronic Communications and Transactions Act, Act 25 of 2002.	The GMA receives its MTEF funds through the Department' vote.	The main objective of the GMA is to manage, co-ordinate and oversee the Gautrain Rapid Rail Link Project. It is also responsible for additional related projects and provision of assistance to other organs of state to realise the integration and co-ordination of public transport, essentially contributing to the Programme of Growing Gauteng Together through Smart Mobility and its pillars.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
	Provincial Policy and Legislative Mandate • Gauteng Transport Infrastructure Act, Act 8 of 2001. • Gauteng White Paper on Transport Policy. • Gauteng Transport Framework Revision Act No. 8 of 2002. • Gauteng Legislation on Development Planning. • Gautrain Management Agency Amendment Act No. 6 of 2008. • Provincial Growth and Development Strategy (PGDS). • Gauteng Spatial Development Perspective.		

STRATEGIC PERFORMANCE OVERVIEW: Financial Year 2020/2021

The Gauteng Provincial Government (GPG) set out an ambitious Programme known as "Growing Gauteng Together: Our Roadmap to 2030". This Programme is very relevant to Gautrain Management Agency (GMA) and the Gautrain. Firstly, the GMA answers to the GPG's roadmap through its purpose of "Transforming spaces, people and the economy through mobility". The roadmap is further supported by Gautrain as it focuses on the development of the economy, jobs and Infrastructure, integrated human settlements and building a capable, ethical, and developmental state.

In the Financial Year ending 31 March 2021, the GMA and Gautrain were part of this strategy in terms of transport orientated development - growing the economy through smart investments in transport as well as restructuring the urban form around transport nodes and using technology as an enabler of better and more efficient transport systems.

To give effect to these strategic Provincial initiatives and to continue in its mandated role related to the current Gautrain Concession, the strategy of the GMA is to continue managing, co-ordinating and overseeing the operation and maintenance of the Gautrain Project and assist other organs of state to realise the integration and co-ordination of public transport within the region – essentially contributing to Smart Mobility. In addition, the GMA is planning the extension of Gauteng's rapid rail network to accommodate future demand and new services.

The GMA Board completed the third year of its term and continued to provide governance oversight to the Agency. The GMA also continued to move towards an outcome-based approach in terms of the application of the King IV principles. The GMA Board is committed to ensuring that the Gautrain operates in a sustainable manner, with a clear commitment to governance and in support of the Provincial Government's economic and social imperatives.

The GMA made good progress in the Financial Year 2020/21 in several areas. In terms of oversight of the Concessionaire, the GMA ensured high levels of operational efficiency.

In terms of passenger safety, several measures were put in place to comply to COVID-19 regulations for the resuming of operations after lockdown level five. The Gautrain SHEQ teams focused on COVID-19 prevention efforts by increasing measures to support both passenger and corporate health and safety. The GMA, the Concessionaire and Operator all provided input to the operational planning and the actions for compliance to regulations. Risk assessments were conducted for every level and special measures were put in place as per the operating plan. Several interventions were administered for the operation of the Gautrain System.

The train service operations achieved an average availability of 99.20% and punctuality of 98.39% over the review period. This was backed by good personal and property safety and security within the System. Safety and security targets for passengers and for the System were met and all incidents that occurred during the reporting period have been mitigated through the security enhancement plans developed by the Concessionaire. The GMA and the Concessionaire conducted rail reserve inspections to identify external factors that might impact on the protection of the railway alignment, given the cable theft experienced in various industries and sectors across the country. Fare evasion was well below the required level and never exceeded 0.04% in any month in the year under review.

The assurance of asset management systems by the Concessionaire was boosted by reviews of all asset reports, station condition and cleanliness inspections, System inspection visits and verification of assets.

The planning of network extensions continued with the route alignment for Phase 1 of the extensions, while engagements were pursued with the National Treasury and National Department of Transport on the approval of the feasibility study.

Since the start of the reporting Financial Year, rail- and bus passenger numbers declined and fluctuated significantly as Government and the public responded to developments around the COVID-19 pandemic. In the case of the General Passenger Service (GPS) the decline compared to March 2019 was 80.55% while the Airport Service (APS) showed a decline of 84.76% due to the impact on air travel. Bus passenger trips followed a similar trend meaning that the annual target for train- and bus passengers trips could not be met.

Table1: Passenger trips per Financial Year on the airport service, the general passenger service and the buses

	Rail			Bus
Service Type	**Airport Passenger**	**General Passenger**	**Total**	**Bus Total**
FY 19/20	1,341,304	12,588,612	13,929,916	4,255,503
FY 20/21	204,434	2,448,726	2,653,160	861,706
% change	-84.76%	-80.55%	-80.95%	79.75%

The GMA purposefully and actively continued to engage with the Concessionaire to implement Operation Shift - a strategy to attract passengers to use the Gautrain services. This strategy is a combination of improved service offerings and marketing to reverse the growth trajectory of the Gautrain passenger demand.

Numerous communication and marketing initiatives targeted at potential and current users of the Gautrain were undertaken and will increase as part of the endeavour to attract passengers.

Socio-Economic Development (SED) targets were met and exceeded as the Gautrain continued to contribute positively to the Gauteng economy. SED deliverables directly demonstrate the benefits of the Gautrain in terms of shareholding by black persons and black women, procurement, sub-contracting, and employment equity elements. From a GMA expenditure perspective, the target for expenditure through Emerging Micro Enterprises (EMEs) and Broad-Based Black Economic Entities (BBBEEs) were met and exceeded, while expenditure through women-owned entities and Qualifying Small Enterprises (QSEs) were narrowly missed yet reflected a significant improvement on achieving expenditure targets in previous years.

The GMA's Social Investment Programme (SIP) contributed to the achievement of social development objectives in education and community care, disbursing just over R6 million to beneficiaries, including NGOs and academic institutions. GMA SIP also supported its beneficiaries during the COVID-19 pandemic's lockdowns with a SIP COVID Relief Fund which dispersed R1 million amongst these beneficiaries.

The GMA also reached levels of maturity with low turnover of staff and good performance in terms of its mandates under the GMA Act. In terms of Human Capital (HC), the GMA Board approved a new organisational structure that better reflects its increased mandate. At the time of reporting, the GMA had 99 filled positions out of 171 available posts. The 12 graduates in GMA's Graduate Programme have received intense training and necessary practical experience for future employment.

Policies and frameworks were developed and implemented, including the continued roll-out of the Enterprise-Wide Risk Management System.

At Marlboro, Sandton, Centurion and Hatfield Stations, the Gautrain has midibus operations which, in comparison to previous years' significant patronage growth, declined because of COVID-19. This community partnership with the taxi industry has been streamlined to enable the rollout of additional routes and facilitate integration with other public transport services.

Apart from the plans for the acquisition of train, depot and signalling assets having been put on hold due to COVID-19's impact on ridership, the GMA continued to commit resources to planning and implementing extensions and expansions to the current Gautrain network, especially insofar as these related to increasing capacity in key areas impacting on passenger demand. Alternative strategies to supplement rail service capacity are being explored.

The Concessionaire continued with the replacement of the current bus fleet in terms of its contractual obligations and, in so doing, provided a significant stimulus to the local bus manufacturing industry.

Information and Communications Technology (ICT) strategic initiatives planned for the 2020/21 Financial Year were completed. The ICT Unit continued to support the GMA to function in a seamless, secure and reliable manner, while allowing for organisational knowledge to be preserved and shared. The adoption of cloud technologies has proved invaluable during the national lockdown caused by the COVID-19 pandemic. The GMA was able to transition from an office-based workforce to a fully functional remote workforce with minimal effort or impact for the Agency.

Knowledge Management (KM) activities linked to the strategic goals of the Agency have been on track. These included mainly the implementation of the records management policy and the KM strategy and the provision of document control services to support the business in its management of the CA. The full 2020/21 GMA Integrated Annual Report is available to the public and stakeholders.

g-FleeT Management

g-FleeT Management is a trading entity of the Gauteng Department of Roads and Transport and is under the oversight of the Head of Department. The entity is managed by the Chief Executive Officer.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
g-FleeT Management	• Public Finance Management Act (PFMA) • Treasury Regulations • Treasury practice notes • Public Service Act • Public Service Regulations. • Cabinet Memo of 1988 • Transport Circular 4 of 2000. • National Road Traffic Act of 1996.	g-FleeT Management is a trading entity of the Department and it's formally known as the government motor-vehicle unit.	The entity's operations are largely regulated by the National Transport Circular No. 4 of 2000, which governs all matters relating to the utilization of government-owned transport and related transport.

The Annual Report for g-FleeT Management is included on page 347 of this report.

PART B: PERFORMANCE INFORMATION



1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

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

Refer to page 249-255 of the Report of the Auditor General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

The Department's service delivery environment was negatively impacted upon by the COVID-19 pandemic as critical emerging priorities were identified to combat the spread of the pandemic on the public transport system. Due to the Pandemic and ensuing National State of Disaster announcement by the State President, travel demands and patterns were going to experience a tremendous change. Various challenges were also being experienced to ensure the safe transit for public transport commuters, more especially, health, frontline and essential services workers.

Thus, new programmes and projects had to be initiated and implemented to fight the pandemic. Collaboration with both public and private sector stakeholders became a critical success factor in trying to curb the spread of the virus on the public transport system. This section of the Annual Report outlines the Department's service delivery in the year of the global COVID-19 pandemic. It highlights the profound impact the pandemic had on public transport in the Province and the successes achieved and challenges addressed by the Department during the National Sate of Disaster and the various National lockdown levels the country continues to experience to combat the scourge of the pandemic.

COVID-19 Pandemic impact on Public Transport

The emergence of the rising cases of Corona virus infection in countries around world resulted in the World Health Organisation declaring COVID-19 as a Public Health Emergency of International Concern in March 2020. The President of South Africa took immediate steps to address this pandemic by declaring a National Disaster on the 15th of March 2020 and implemented the Disaster Management Act. A National lockdown of 21 days was introduced on the 27th of March 2020 to prepare for the pandemic, flatten the curve of infections and to save lives. Upon the announcement of State of Disaster by President Cyril Ramaphosa, which saw South Africa implementing a lockdown on 26th March 2020, the Gauteng Department of Roads and Transport took immediate steps to implement its Public Transport COVID-19 Action Plan to respond to the pandemic.

- **Public Transport COVID-19 Project: GDRT leads efforts to prevent spread of COVID-19.**

The overall goal of the Public Transport COVID-19 Plan was to minimize the spread and impact of COVID-19 on public transport modes and facilities through the implementation and monitoring of identified interventions. The Plan was aligned to the national transport regulations implemented by the Minister of Transport. A Public Transport Coordination Centre was established at Derek Masoek Building together with regional coordination centres in the Department's 5 Regional Offices to address to pandemic at a district level. War Room Committees, led by Members of the Mayoral Committees (MMCs) for Transport, were also set up representing Public Transport in all centres.

The Department commenced with its Public Transport COVID-19 project focusing on deep cleaning, disinfecting and sanitizing of taxis, busses, taxi ranks as well as commuters throughout the five Provincial Corridors (Ekurhuleni, Johannesburg, Tshwane; WRDM and Sedibeng) providing critical capacity and resources. Departmental key officials and industry players conducted assessments of preventive measures to prevent spread of COVID-19 in the public transport space. The acquisition and distribution of hand sanitisers, disinfectants and Personnel Protective Equipment (PPEs) was undertaken daily to operating taxi ranks and departmental contracted subsidised bus services operators.

The sanitization team (OUTsurance and Scientology Volunteer Ministers) supported by departmental officials together assisted with the disinfection of taxis and deep cleaning and marking of Taxi ranks for social distancing. Taxi and bus commuters were also sanitized during each trip undertaken. Departmental key officials and industry players conducted assessments of preventive measures to ensure adherence to preventive measures to curb the spread of COVID-19 in the public transport spaces. The Programme continued throughout the various lock down levels with coordination and partnership of private-sector companies including OUTsurance, SA Taxi Finance, AngloGold Ashanti, Clinix Health Group, ARMSCOR, Minibus Taxi Industry, Bus Companies as well as metro/local governments.

The Department continued the Public Transport COVID-19 Programme throughout the financial year and continued to visit various public transport facilities and monitor services to ensure adherence to lockdown regulations. Working continuously with the taxi industry, the Department was able to bring transport operators to embrace unity in support of the efforts to fight the spread of COVID-19. The culture of daily vehicle disinfection and commuter hand sanitization is now embedded within the Public Transport Industry.

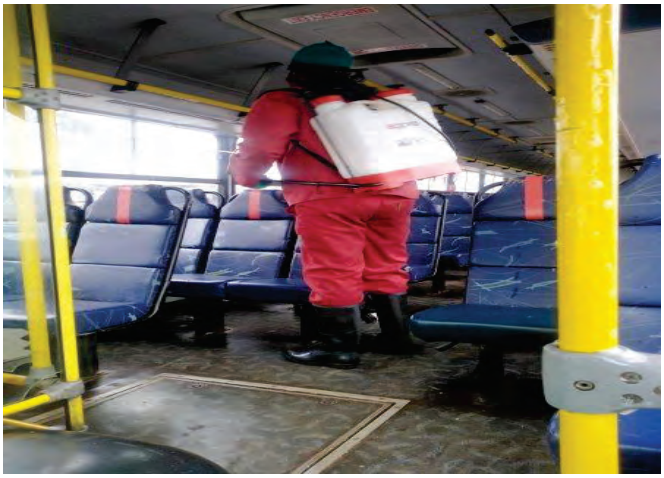
To ensure that all public transport operators adhere to the COVID-19 regulations, issued by the National Department of Transport and the National Coronavirus Command Council, the Department partnered with the Metro Police to monitor the public transport regulations in the enforcement of passenger capacity and wearing of masks. A policy of No Mask, No Ride was adopted and enforced.

As large parts of the economy began reopening, with many people resuming work and schools reopening, the demand for public transport services increased. The Department amplified its response towards combatting the spread of the virus on the public transport system.

Collaborative initiatives were undertaken with the Gauteng Department of Health with a Screening and Testing Programme at taxi ranks. Community Health Care Workers played a key role in testing Taxi Drivers and Commuters for COVID-19, HIV / AIDS, tuberculosis, diabetes, and hypertension. The Minibus Taxi Cadet Programme was also implemented with the Taxi Industry to provide urgent and increased capacity for the Disinfection and Sanitisation Programme. A total of two thousand three hundred and fifty-five (**2, 355) Cadets** from the taxi industry were recruited to assist the Department. The Department continues to increase its efforts to fight the ongoing pandemic and help save lives.









- **Taxi Ranks Monitoring for COVID-19 Compliance**

The Gauteng Provincial Government adopted a strategy of targeting COVID-19 hotspot areas with a high number of active cases. As part of the efforts to contain the further spread of the Coronavirus in hotspot areas, the Department conducted compliance site visits. These Taxi Ranks site visits were conducted across the Province to inspect compliance measures in place to curb the spread of COVID-19. The site visits formed part of monitoring Taxi Rank Support Committees tasked with enforcing social distancing, cleaning, and disinfecting of loading bays and taxis, sanitisation of all commuters and ensuring that a policy of No Mask, No Ride is adhered to.

- **COVID-19 Learner Transport Operator Registration Programme**

During the National Level 3 COVID-19 lockdown and the reopening of schools, the Department embarked on a collaboration with the Gauteng Department of Education to ensure safe transportation of learners by the Learner Transport Operators during the pandemic. Thus, the Learner Transport Operators Programme was implemented, and the Learner Transport Operator registration process was undertaken across the five developmental corridors in the Province. This assisted the Department to monitor Learner Transport Operators implementation and adherence to COVID-19 transport regulations. The registration of eleven thousand and three hundred (11, 300) Learner Transport Operators were completed for tracking, tracing, provision of sanitisers and Personal Protective Equipment (PPE) to minimize the transmission of the virus. A Public Transport and Scholar Transport App was developed with the Council for Scientific and Industrial Research (CSIR), to monitor and respond to COVID-19 issues.

Public Transport challenges due to COVID-19

Unfortunately, as the pandemic continues to rage across the country, its negative impact within the public transport sector remains. The low revenue growth in the public transport sector has seen increased competition among the various modes for commuters. Some bus operators experienced sporadic hindrances to their operations, in the form of intimidation, by the Taxi industry. This was immediately addressed by the Department through meetings and workshops held with all affected parties in the Sedibeng District Municipality. An amicable solution was reached, and the Department continues to monitor the situation. As a proactive measure, workshops on bus operations and services will be arranged in the Tshwane Region under the North-West Star services. The Department, working with law enforcement Agencies, is in the process of taking corrective action.

As the country experiences, progressive waves of infections, prevention pandemic fatigue seems to have arisen with reports of public transport operators and commuters disregarding social distancing and wearing of masks. The enforcement of non-pharmaceutical preventative measures of social distancing, disinfection and sanitisation remain an ongoing priority of the Department for both the public transport operations and within the organisation and its Service Centres. Until the country's population has been vaccinated, this remains the mainstay of the Programme in defence of the pandemic.

Transport Infrastructure supporting economic growth.

Transport infrastructure forms the core of the Gauteng Provincial Government's sixth administration efforts to reignite the Gauteng economy. To reposition Gauteng as the inland hub for freight and logistics, it is critical to ensure the smart integration and maintenance of the provincial road network. Thus, the Department's Smart Mobility Plan - 2030 prioritises investments in Transport Infrastructure as one of its pillars. Aligned to the smart mobility plan, various road infrastructure projects were undertaken to support the growth of the Gauteng economy.

- **Handing over of the Three (3) rehabilitated roads projects in Sedibeng**

The Gauteng Department of Roads and Transports continued to provide support to District Municipalities in rehabilitating identified roads in poor condition. Three completed rehabilitated roads were handed over to the Emfuleni Local Municipality in the Sedibeng District. The five-month, R9 million road rehabilitation intervention formed part of the Department's Smart Mobility strategy, prioritising the delivery of improved, quality state of road infrastructure and contributing to growing the Emfuleni Local Municipality economy. The Roadworks included the rehabilitation of the pavement structure along Adams Road, Moshoeshoe and Vilakazi Streets, improving pedestrian safety by installing sidewalks as well as improving functionality of drainage structures.

These roads form major arteries in Emfuleni and contributes to the economic activities in the Vaal area. The road rehabilitation project benefits accruing to the Emfuleni community related to job opportunities created on the projects; improved roadway capacity and general road safety; reduced travel times; enhanced driving experience. These roads are also critical to providing easy access to business, residential areas and agricultural estates.

- **P175/1: Rehabilitation from Vanderbijlpark to Potchefstroom - Phase 2 completed**

The road is in Johannesburg (South) and is a major route from Vereeniging Region towards the North-West Province. The P175 serves as a distributor for the surrounding rural towns. The rehabilitation project commenced in road P156/3 to Gauteng/North-West Boundary (Vanderbijlpark to Potchefstroom). It involved the rehabilitation of 11.8kms of road P175/1 from Vanderbijlpark to Potchefstroom. The project was completed and opened to traffic.

- **Repairing of sinkholes for road safety.**

Road Maintenance projects are in line with the Gauteng Provincial Governments' commitment to delivering a world-class road infrastructure that promote smart mobility and supports economic growth. Two major sinkholes developed on the provincial road network which caused the roads to be closed for road safety purposes. The two sinkholes were rehabilitated in line with the smart mobility concept.

The first major sinkhole developed on road **P6/2 (R23) Snake Road (M57)** in Benoni, next to the Snake road off-ramp from N12 (Emalahleni / Johannesburg Freeway). Snake Road is a major road that links various businesses and communities thus, playing an important role in the local and provincial economy. The Department undertook a R17 million rehabilitation with works having resumed in February 2020 following the development of a sinkhole which posed a danger to the road users. The Department officially opened the road joined by City of Ekurhuleni, MMC for Infrastructure Services. The re-opening of R23 assisted in facilitating the easy movement of goods and people within the Ekurhuleni and across Gauteng City Region, which would contribute to economic growth.

The second large sinkhole occurred on the road shoulder, of the north bound carriageway, at kilometre 6.00 along the (M57) P122/ 1, north of Olifantsfontein, old Pretoria / Kempton Park. The road rehabilitation was completed in quarter two of the financial year.

- **Transport Infrastructure House introduces efficiencies in delivery of transport infrastructure projects.**

The Department officially launched its Transport Infrastructure House (TIH), a Project Monitoring and Management Programme. The launch was part of the implementation of commitments made in the GDRT's strategic vision of Growing Gauteng Together Through Smart Mobility. The purpose of the TIH is to invoke Public confidence, encourage Investments and inform the Public about the projects in the Pipeline. The TIH utilises three project management tools, firstly, the Project Performance Barometer**,** a performance tool to measure project progress and ensure critical tasks are planned and performed

sequentially. Secondly, the Roads Asset Management Services (RAMS) Viewer for viewing of the Gauteng Roads Network, which includes bridges, culverts, traffic and project data. Thirdly, Drone Technology to monitor progress and identify potential risk, provide statistic aerial image of applicable area and to be able to overlay/compare images over time (i.e. month to month progress) and to be loaded onto RAMS viewer. The TIH will assist the Department to gain a full view of its 67 transport infrastructure projects - to the value of R23 billion *(over a 10-year period)* - from planning, design to construction.

The TIH brings under one roof critical expertise from within the Department and its entities, the Gautrain Management Agency as well as g-FleeT, to monitor projects and troubleshoot promptly to prevent costly delays. Using smart technology and data, the Department is enabled to speedily intervene and resolve bottlenecks which often result in time delays and cost overruns. Amongst its main tasks, the TIH will work with private developers to ensure the Department supports the development of new cities with smart transport infrastructure.

COVID-19 posed roadblocks for infrastructure projects.

The Transport infrastructure construction and maintenance projects had also been negatively impacted by COVID-19. All projects had to stop due to the Level 5 hard lock down in the first quarter of the financial year 2020/21. This resulted in many projects not being completed. Furthermore, procurement processes for critical and essential goods and services were prioritised to address the COVID-19 pandemic which delayed the procurement strategies of some projects. To address these challenges, The Department implemented interventions plans and granted extension of time for the projects to be completed.

Gauteng releases results of the Gauteng Household Travel Survey (GHTS)

The GHTS is one of a series of provincial household travel surveys commissioned by the GDRT as part of fulfilling its legislative mandate requiring the province to continuously monitor and evaluate its transport system. In 2019 the Department commissioned the Council for Scientific and Industrial Research (CSIR), an entity of the Department of Science of Innovation, to conduct a General Household Travel Survey to examine transport patterns of households in the Province.

The GHTS was completed in 2020 and was officially launched during the Province's October Transport Month campaign. The household travel survey data have over the years functioned as critical inputs to strategic transport planning. The Survey is necessary to support evidence-based decision-making to maximise sustainable integrated mobility infrastructure and systems and targeting of mobility reform initiatives.

Fruitful engagements with Driving Schools' Associations

The Department is fully cognisant of challenges faced by driving schools and the public due to the advent and adoption of the Fourth Industrial Revolution interventions/technologies which are reshaping public transport services. Meetings were held with representatives of driving schools as part of the provincial government's commitment to finding urgent and lasting solution to their issues. The Department, the Road Traffic Management Corporation (RTMC) and Driving Schools Associations agreed on the establishment of a monthly "stakeholder forum", to be chaired by the Department.

The forum provides a platform for interaction and engagement for all parties, where matters of mutual interest will be discussed. These will include the regulation and formalisation of the industry, allegations of collusion and corrupt practices involving officials, service delivery improvements and challenges related to introduction of the e-Natis electronic booking system amongst others. The monthly forum will also conduct performance review and evaluation of each Driver Licence testing Centre to determine levels of performance and service delivery.

Department intervenes to prevent e-hailing strike.

e-Hailing services continue to be the leading 4th Industrial Revolution (4IR) disruptive industry and have become a way of life for many citizens. During the year under review, the Province faced a potential strike action by e-hailing drivers and driver partners. The Department engaged in discussions with the e-Hailing App companies (Uber and Bolt) as part of the provincial government's response to strike. The recommendation of opening dialogues between the drivers and the companies to address the concerns were receptive to both parties.

This resulted in the suspension of the strike action as both Drivers and the Companies gave the dialogue talks a chance. The Department facilitated the first meeting between the two parties in March 2021. Further, the Department urged all public transport operators to embrace and uphold negotiations and consultations to resolve issues.

The Department would also like to thank both the e-hailing and driving school's operators for suspending their strike actions and giving negotiations a chance to resolve the issues.

Strategy to deal with the driving licences and permits backlog experienced due to the lockdown period.

The Driver Licence and Testing Centers experienced closure during the Level 5 hard lockdown due to National Transport Regulations and intermittent closures due to COVID-19 infections. This resulted in a major backlog of services to the public. Thus, to address these backlogs, the Minister of Transport introduced various legislations on the extensions of driver and motor vehicles licences. In a bid to improve and enhance assistance to driving licence holders following the publication of the gazette for extension on the renewal of driver licences, the Department, Road Traffic Management Corporation (RTMC) and Municipalities introduced the following strategies to improve services to the public.

- Enhance the e-NaTIS system to allow applicants whose driving licences are expiring or have expired to be given priority in the booking system,
- Access to slots were unlocked through an applicant's identity (ID) number,
- Specific days were set aside to assist applicants whose licences are expiring or whose validity has been extended to 31 January 2021, and
- Attention was also drawn to other applicants regarding the availability of bookings (online and walk-ins).

These measures assisted in rendering the necessary services. However, due to the continued impact of the pandemic and public hesitancy, the backlog continues in these service centers.

2.2 Service Delivery Improvement Plan (SDIP)

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

Key service 1: To increase the number of operating/ permits issued and permits converted into operating Licences.

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
The number of permits converted into operating Licences.	Public transport operators	65	1, 500	13

Key service 2: The number of motor vehicle licences renewal at Registration Authority (RA).

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Annual renewal of motor vehicle licences.	Vehicle owners and title holders through the RA.	4 ,1 million	4, 7 million	4, 715,432 million

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

Current/actual	Desired arrangements	Actual achievements
Forums	Establishment of committees	Held consultations through the Gauteng Freight Forum, Gauteng Rail Committee, the Integrated Transport Plan Committee and the Transport Technical Working Committee (TTWC) to address transport needs in Gauteng.
Social Facilitation	Stakeholder Consultation	Informed customers, community members and other staff members through stakeholder consultation.

Current/actual	Desired arrangements	Actual achievements
Media Networking Sessions	Informed public	Improved image and informed public
Publications including Newsletters	Informed public	Informed internal and external stakeholders
Infrastructure planning	Informed infrastructure planners	Providing updated and accurate provincial traffic data

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Monthly, Quarterly and Annual Report	Intranet, Website and Database	Informed internal and external stakeholders
Brochures, Posters, Newsletters and leaflets	Intranet, Website and Database	Informed internal and external stakeholders

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Telephone	All complaints received to be handled	All complaints received were handled
e-mail	All complaints received to be handled	All complaints received were handled
Letters	All complaints received to be handled	All complaints received were handled
Walk-in	All complaints received to be handled	All complaints received were handled
Meetings	100% satisfied clients	100% satisfied clients
Social Media	All complaints received to be handled	All complaints received were handled

2.3 Organisational Environment

Change & Transformation Virtual conference - “we are in this together- I see you”.

COVID-19 has forced ogranisations to transform their working environments to maintain productivity in a time of uncertainty whilst at the same time ensuring the safety and health of their valuable workforce. This transformation saw organisations move from working from the office to working remotely, thus having to rely on technology now more than ever and adapt to the sudden change. Stressed employees are at a higher risk of increased fatigue and depression and this has potential to lead to diminished productivity and is likely to impact on employee morale. Recognizing that change brought by the sudden pandemic is likely to cause anxiety and panic to employees, the Department embraced the change and implemented different work models assisted by digital technologies to transform for business continuity.

To avert the negative repercussion that COVID-19 is likely leave amongst its workforce, the Department of Roads and Transport launched the first ever Change & Transformation Virtual conference, under the theme, “we are in this together-I see you" making it the official launch of the DRT’s Transformation “Digital” Conference. The virtual Change & Transformation Conference offered the Department an opportunity to adapt to the current change and manage issues such as: Gender diversity in the workplace, Gender based violence, Mental health, Disability and human rights, Men and Women’s health, HIV and AIDS, Sexual harassment in the workplace, Change management and many other related issues. The conference was a success in providing its employees a platform to address major concerns and issues and identified solutions for implementation to support a productive work environment.

Addressing Employee Wellness and safety during COVID-19

Supporting employees’ health and safety during the pandemic was critical. Various interventions and protocols were introduced to support employees to carry out their work in a safe and efficient manner. Employee Health and wellness services were deployed to support both onsite and remote working employees in a bid to slow the spread of the COVID-19 virus.

A return to work plan was reviewed in line with COVID-19 alert level one as reintroduced by the President. A total number of sixty (60) new temperature scanners were purchased and seventeen (17) were distributed to offices. COVID-19 Screening was conducted in all offices on a daily basis, a total number of sixty six thousand and seven (66, 007) employees and members of the public combined were reached. Three (3) policies were reviewed (Safety, Health, Environment, Risk and Quality Management (SHERQ), Personal Protective (PPE) and Clean Workplace Policy. A total number of three hundred and forty-six (346) employees were inducted for COVID-19.

In partnership with Department of Health, five hundred and eighty-eight (588) employees who were in quarantine were tested for COVID-19. Five (5) working procedures for COVID-19 and a COVID-19 toolkit was developed. Personal Protective Equipment (PPE) in the form of surgical and cloth masks, face shields, disenfactant, hand cloves and sanitizers were distributed to all employees. Furniture was procured for sixteen (16) isolations rooms in all worksites. A total number of forty-five (45) youth cadets were recruited to assist with COVID-19 screening in all DRT worksites.

In terms of COVID-19 regulations, an employer is required to identify vulnerable and employees with cormodities. Applications forms to work from home due to vulnerabilities were developed and distributed for employees. A total number of sixty-eight (68) applications were received and are being processed with the assistance of the Office of the Premier.

COVID-19 training was conducted for employess to enable them to cope with COVID-19, implement preventive measures to keep their working enviroment safe and support both their mental and physical health.

Unfortunately, despite the preventive mesures implemented, COVID-19 impacted negatively on the employees. A total number of eighty-one (81) employees tested positive for COVID-19 since June 2020. The Department tragically lost three (3) employess due to COVID-19.

Below is a breakdown of counselling and COVID-19 cases received.

Number of EHW Cases	Total Number
Active Pending	16
Closed	07
Ill- Health Retirements	02
Referral (Substance Abuse)	01
Referral (Psycho-social)	24
Covid-19 positive	81
Total	**131**

Communication during the Pandemic

In times of crisis, communication, and correct information distribution assists in supporting an effective and productive working culture and environment. The Department, in collaboration with the Office of the Premier and the Department of Health, maintained constant communication and sharing of information with employees pertaining to COVID-19. Furthermore, a Departmental Communication Strategy and Plan was developed to achieve the following objectives:

- Create awareness of Department's efforts and interventions to drastically enhance the safety of its employees,
- Highlight the negative financial, social and emotional strain brought about by COVID-19,
- Promote and enhance COVID-19 safety efforts by role players/stakeholders (DPSA/OoP/GDoH etc),
- Promote collaboration in pursuit of overall safety of all employees and their families,
- Improve and enhance participation of all stakeholders (organized labour/management), and
- Highlight the Department's/government's pro-active approach and efforts to mitigate against the effects of COVID-19.

Various internal communication platforms were utilised to communicate with staff and keep them informed on important developments and critical information:

- Intranet/Website/Social Media - A COVID-19 page was created to provide updated, latest available information on provincial/departmental active cases, recoveries etc.
- Bulk SMS - The bulk SMS system was used to send COVID-19 messages to all employees with Departmental phones daily.
- Posters - COVID-19 posters were posted throughout the Department's buildings.
- Exhibitions - The COVID-19 Awareness Campaigns at Departmental Service points were done to provide an opportunity to interact and empower officials, clients, and the public with reliable information on COVID-19. Pamphlets are in English and Setswana.

Human resources are one of the assets of any organisation. Thus, the wellbeing of its employees remains a priority of the Department and compliance to OHS and COVID-19 protocols remains high on the agenda.

Organisational Structure Review

The Gauteng Department of Roads and Transport continued with its organisational restructuring process intending to align the Structure to the organisational five-year strategy. Th restructuring process is focused on realigning the organisation to achieve its mandate and acquire the key competencies and capabilities to contribute to the priorities of the National and Provincial Government.

The Department's restructuring process focused on the Organisational Operational Model complemented by its Service Delivery Model to optimise the improvement of operational effectiveness and efficiencies. The work-study reviews were conducted to inform updated job profiles and grades which will contribute to a peaceful working space between employer and organised labour and respond to the call from the National Government on an efficient and capable public service. The critical elements of engagements, reorganised structure, service delivery model, business processes will be completed by the end of 2021. Once the approval from the Minister of Public Service on the restructured organisational organogram is received, the filling of identified, critical posts will be undertaken.

Aligned to the reorganised structure is the reengineering of the business process by 2023 which will expedite the Department's integration of an e-services platform for administrative functions and front-line services functions by 2025.

Geyodi Empowerment

The Department hosted a virtual seminar to address the scourge of gender violence against women and children. Eighty (80) people attended the seminar and participants included officials from GPG, Taxi Associations leadership, officials from the Department, University and National Departments. The seminar was a response to the national lockdown due to the upsurge of gender-based violence cases in the country. The high incidence of domestic violence has continued unabated, despite the Domestic Violence Act 116 of 1998 passed by the South African government, which aims at protecting the rights of women. The course is meant for women in leadership/management positions, including senior executives. The Gender Based Violence response plan for the transport sector was finalised.

Five (5) female MMS and three (3) SMS were nominated to attend the women in leadership course. The course was sponsored by the Gauteng City Region Academy (GCRA) and will be offered by Wits University and Gordon Institute of Business Science (GIBS).

New Head of Department welcomed

The Gauteng Department of Roads and Transport welcomed the appointment of its Head of Department, Mr M. Mampuru on the 1st of August 2020. Mr Mampuru was the Acting Head of Department prior to his appoint and his appointment ensured a continued transition. The Department wishes Mr Mampuru a successful tenure as the Accounting Officer and looks forward to the wealth of experience and expertise he brings to the organisation.

Farewell to Executives of the Department

The Department bid farewell to two (2) Senior Managers during the financial year 2020/21. Mr K. Mngaza the Chief Director: Design and Traffic Engineering. He served as Manager at the Department in the Roads Branch with a long service, sharing his expertise and knowledge as part of delivering the mandate of the Department. His contribution to the Department' service delivery is applauded and the Department wishes him well in his retirement.

Mr S. Zondo, the Chief Financial Officer headed the Finance Branch and managed the Department's finances for over two administrations and bought a wealth of expertise and knowledge to his post. During his tenure, he achieved consistent years of unqualified audit opinions. Mr Zondo resigned, and the Department wishes Mr Zondo all the best in his future endeavours.

2.4 Key policy developments and legislative changes

The Department developed the following Acts and Regulations during the year under review, to guide the implementation and regulation of transport in the Province.

The Gauteng Transport Infrastructure Amendment Bill

The Bill aims to consolidate the laws relating to roads and other types of transport infrastructure in Gauteng; provide for the planning, design, development, construction, financing, management, control, maintenance, protection and rehabilitation of provincial roads, provincial railway lines and other transport infrastructure in Gauteng. In a nutshell, it repeals and replaces the Gauteng Transport Infrastructure Act, 2001. The Bill has been finalised and consultations are in process.

Drafted Regulations

- **Regulations on Towing Services in the Province**

  The objective of the regulations is to regulate the operations of Tow Truck services, currently operating in an unregulated manner. The regulations have been finalised and consultations with the industry are ongoing.

- **Gauteng Outdoor Advertising Regulations**

  The objective of the regulations is to define the procedures to be followed in dealing with advertising on or visible from provincial roads. The Department has commenced with engagements with Municipalities.

Regulations reviewed

- **Regulations on the Adjustment of the Motor Vehicle License fees**

  In line with the Treasury Regulations and Section 25 of the Gauteng Road Traffic Act, the Motor Vehicles License Fees must be increased annually. The Regulations has been certified by the State Law Advisor for submission to the Gauteng Provincial Legislature.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

During the financial year under review, the Department of Roads and Transport revised its five-year strategic plan in line with the directive from the Department of Performance Monitoring and Evaluation in response to the COVID-19 pandemic. The pandemic had impacted on the country resulting in the Department having to re-align and reprioritise its services due to the critical emerging priorities to address the challenges. Thus, a risk adjusted revised 5-year Strategic Plan and 2020/21 Annual Performance Plan were developed and implemented during the financial year under review. The revised outcomes aligned to the Department's Growing Gauteng together Smart Mobility Plan -2030 are outlined below.

Outcome 1	**Improved good governance and accountability in the management of state resources by 2025**
Outcome Indicator:	Clean Audit opinion
Baseline:	Unqualified Report
Three-year target:	Clean Audit opinion by 2025

Outcome 2	**Increased Socio-Economic Development (SED) in Broad Based Black Economic Enterprises**
Outcome Indicator:	Percentage of BBBEE procurement expenditure awarded to HDI's
Baseline:	80%
Five-year target:	80%

Outcome 3	**Improved Gauteng provincial road network by 2025**
Outcome Indicator 1:	Percentage of surfaced roads good condition
Baseline:	66%
Five-year target:	70%
Outcome Indicator 2:	Percentage of surfaced roads in poor and very poor condition
Baseline:	11%
Five-year target:	<10%

Outcome 4	Strong Institutions supporting smart mobility in Gauteng
Outcome Indicator 1:	Number of Policy Planning documents completed.
Baseline:	ITMP25 and PLTF(GTIP5)
Five-year target:	A long-term planning Updated ITMP25 Master Plan and PLTF indicating planning & implementation projects in the province over the next five years.
Outcome Indicator 2:	Gauteng Transport Authority (GTA) operationalised
Baseline:	Based on section 12 of the National Land Transport Act, the transport challenges that Gauteng is facing can be ascribed to the lack of cross-municipal boundary integration of public transport services. Improved public transport accessibility, affordability, reliability, interoperability and safety are required to give effect to redressing apartheid spatial planning, allowing economic growth and reducing economic and social opportunity costs for communities to access economic opportunities.
Five-year target:	Fully operational GTA established to address smart mobility in terms of its mandate
Outcome Indicator 3:	Number of seamless platforms of eService's supporting smart mobility.
Baseline:	2
Five-year target:	3 seamless platforms of eService's supporting smart mobility

Outcome 5	An improved smart, affordable and accessible public transport system
Outcome Indicator:	% reliability of subsidised bus services
Baseline:	50% reliability of subsidised bus services
Five-year target:	80% reliability of subsidised bus services

Outcome 6	Increased Data Centric Mobility in Gauteng by 2025
Outcome Indicator: 1	Transport Management Centre Operationalised
Baseline:	Transport Centre Business case and Plans finalised
Five-year target:	Transport Management Centre Operationalised
Outcome Indicator: 2	Number of e-Tickets and contactless cards integrated on public transport systems (Gautrain, BRT, Metrobus Metrorail and minibus taxis)
Baseline:	Gauteng on the move APP Launched
Five-year target:	3.5 million contactless card users integrated on public transport systems (Gautrain, BRT, Taxis, Metrobus and Metrorail)

Outcome 7	Improved service times at the Integrated Transport Customer Service Centres (DLTCs, MVRAs and VTS) by 2025
Outcome Indicator:	Average turnaround times at Transport Service Centres
Baseline:	None, will be conducted during the 2021/22 financial year
Five-year target:	1. 15% reduction for Motor Vehicle Licence Renewal 2. 15% reduction for (Learner License and Driver License Application) 3. 10% for (Driver License Renewal) 4. 10% for PrDP applications 5. 90 Days Public Transport Operator Licences 6. 20% Online renewal of Driver and Motor Vehicle Licences

Outcome 8	Reduction of freight on the Gauteng road network by 2025
Outcome Indicator:	**Percentage of freight on roads**
Baseline:	80%
Five-year target:	78.5%

The Performance information by Programme section, which follows, outlines the Department's first year contribution to the above Outcomes during the year under review.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

This section outlines the progress by the Department in the achievement of the Strategic Outcomes as outlined in the revised Annual Performance Plan 2020/21.

4.1 Programme 1: Administration

Purpose

The purpose of the Programme is to conduct the overall management and administrative support function to the Office of the MEC and the Department.

Objectives of the Programme

To provide advisory, secretarial, administrative and office support service to the MEC, and to render strategic support to the Department in the areas of finance, human resources, procurement, information and communication systems and policy development. It comprises of the following Sub Programmes:

List of Sub Programmes

- Office of the MEC
- Management of the Department
- Corporate Support
- Departmental Strategy

Institutional Outcomes:

- Outcome 1: Improved good governance and accountability in the management of state resources by 2025
- Outcome 2: Increased Socio-Economic Development (SED) in Broad Based Black Economic Enterprises

Outcomes, outputs, output indicators, targets and actual achievements

Outcome 1: Improved good governance and accountability in the management of state resources by 2025

The following human resources projects were executed:

Human Capital Development

Skills Training And Development

The Department has trained one hundred and seven (107) employees on the following training programmes:

- Provincial Peer Learning Exchange Seminar,
- Introduction to Strategic Planning and Management,
- Introduction to Financial Management and Budgeting,
- Leading Change,
- Policy and Procedure on Incapacity Leave and Ill Health Retirement (PILIR),
- Facilitation, Mediation, Negotiation and Conflict Resolution,
- Executive Induction Programme (EIP),
- Conference Public Service Trainers Forum (PSTF), and
- COVID-19 Webinar.

Performance Management and Development System

The Departmental Performance Management and Development System policy for employees on level 1-12 was approved. The Departmental Moderation Committee (DMC) was established for employees on level 1-12 to improve and ensure consistency and quality assurance of Performance Agreements and Assessment methodology within the Department. A pilot Programme on the Automated Electronic Performance Management and Development System (e-PMDS) in collaboration with the Department of e-Government was launched and one hundred and twenty (120) employees participated with the purpose of automating the PMDS Programme as from the 2021-2022 performance cycle.

Job Access Strategic Framework (JASF) and Gender Empowerment Strategic Framework (GESF)

The **Job Access Strategic Framework (JASF) and Gender Empowerment Strategic Framework (GESF) Reports** were submitted to the Office of the Premier (OoP) and Department of Public Service and Administration (DPSA). The GESF focuses on gender mainstreaming, whilst the JASF focuses on mainstreaming issues related to disability in the workplace.

The strategic framework ensures the empowerment of women and Persons with Disabilities (PwDs) through various mainstreaming principles by fast tracking strategies to address the historical challenges experienced by women and persons with disabilities within the workplace.

Supporting People with Disabilities in transport

People with Disabilities have a right to enjoy travel and leisure experiences, however, their travel experiences are still characterized by transportation constraints, inaccessible accommodation, tourism sites, and inadequate customer services. The Department partnered with the Office of the Premier to host Santa Wheels. Santa Wheels is a project to distribute Christmas gifts together with various stakeholders in disabilities empowerment networks to bring festive cheer in institutions that give care and education to children with disabilities. On the 05th of December 2020, Santa Wheels joined forces with the Gautrain Management Agency (GMA) to arrange a Christmas Gautrain outing for the thirty-five (35) children, aged two (2) to twenty-three (23) and fifteen (15) supervising adults of the Bathabeleng Children's home and Thembinkosi Special Needs School for learners with disabilities.

The City of Joburg's Rea Vaya bus service is offering free rides for pensioners and People Living with Disabilities (PwD) through a campaign called "Joburg Cares". The campaign was approved by the City Council and is being implemented in accordance with COVID-19 public transport regulations. Prior to its approval by Council, a pilot project involving six hundred (600) pensioners and persons living with disabilities was successfully conducted by the Department and the Department of Social Development (DSD). The campaign will be providing free rides to the city's pensioners and People Living with Disabilities (PwD) during off-peak times between 08:30 and 15:00 weekdays as well as on weekends and public holidays.

Supporting Military Veterans

A **Military Veterans Framework** was finalised for consultation. The purpose of the Department's Military Veterans Framework is to outline programmes and interventions targeting Military Veterans and their dependents in delivering services to military veterans as stated in the Military Veterans Act, 18, 2011. The framework also ensures the provision of services to Military Veterans and build relevant Institutional arrangements to support delivery of services.

The Military Veterans electronic database was obtained from Office of the Premier (OoP) and the Department of Military Veterans (DMV). The database makes it easier to store Veteran's personal, educational, health, dependents, and spouse information. The creation of a credible and technologically advanced database (system) will contribute towards the effective monitoring and evaluation of performance by the province on the rights of military veterans.

Facilities Management

- **Maintenance/ Renovation of Departmental buildings**

To ensure compliance to OHS (Occupational Health and Safety) and building legislation, the Department is continuing with the maintenance work at Departmental Regional Offices, TOLABs and DLTCs. The maintenance included the electrical, plumbing, and refurbishment of the buildings. To restore the facilities to satisfactory conditions, the Department conducted maintenance in its regional offices and Provincial DLTCs.

- **Relocation of offices to new premises**

The following regional offices were relocated:

  - Randfontein TOLAB was moved to Kagiso DLTC; and
  - 11 Diagonal Street (TOLAB) to 45 Commissioner Street, Life Centre Building.

User Asset Management Plan

The User Asset Management Plan (U-AMP) is developed in compliance with Government Immovable Asset Management Act (GIAMA) Act 2007. U-AMP ensures the effective, efficient immovable asset management planning and coordination of the user immovable assets with the service delivery objectives of the Department. The U-AMP 2020/21 final draft was completed and submitted to Gauteng Provincial Treasury and Gauteng Department of Infrastructure Development (GDID).

Preparation of 2021/22 U-AMP has commenced with information gathering, analysis and compilation in consultation with the finalised reports from the consultants and GDID.

The following initiatives were executed regarding Information Communication Technology (ICT):

Automation of business process towards efficiencies

Information Communication Technology (ICT) was embraced by the Department as a catalyst in the delivery of services to the public. ICT enables online tracking, monitoring, and reporting on Departmental programs and projects. It fast tracks the response to customer requests and complaints. The ICT landscape will promote transparency in the Departmental processes by disseminating government information to the public. The Department has automated the following processes:

- **Electronic Document and Records Management (e-DRMS)**

To promote a paperless environment, the Department has prioritised the automation of Electronic Document and Records Management System (e-DRMS), for the financial year 2020/21. The development of e-DRMS for the following units: g-FleeT Trading Entity: Fleet Maintenance, Transport Services, Permanent Fleet, VIP and Pool, Legal Services and Contract Management, Facilities and Security, Human Resource Management, Supply Chain Management (SCM,) Customer Management Services, Marketing and Communication were completed and deployed into the live environment including Chief Directorate: Operating Licencing.

- **e-Submission**

e-Submission is an electronic system introduced by the Department during the second quarter of the financial year 2020/21. It enables for the submission/memorandums to be drafted, routed, and signed electronically. The system has improved the turnaround time and minimised delays in signing of submissions. The system has been deployed on the live environment and is in use. A total number of three hundred and forty-five (345) DRT users are licenced to utilise the e-Submission system.

- **Short Messaging Service (SMS)**

The Short Messaging Service through bulk sending SMS functionality, were successfully developed, and deployed in Maponya, Xavier, Kliptown, Mabopane, Randfontein and Temba Driver, Learner Testing Centers (DLTCs). This service allows for customers to be kept informed of the status relating to their service request. This is completed through SMS being sent to members of the public. e.g. Renewal of Driver or Motor vehicle licences.

Modernization and Digitization of Information and Communication Technology (ICT)

The Department is utilizing ICT as a catalyst for the delivery of government services as derived in DPSA's Corporate Governance ICT Policy Framework. A platform for accessing online government services to employees and citizens has been created.

- **Queue Management System (QMS) in frontline services:**
  The Queue Management system is an automated system designed to manage walk-in services, or customer flow. It is used to manage interactions with the customers, whether it be in person or through information displayed over the screen. The Department has developed a queue management system and has been deployed in the following centers:

  - **Kliptown MVRA**

  QMS has been developed and deployed in live environment in Kliptown MVRA.

  - **45 Commissioner TOLAB. (Then 11 Diagonal TOLAB)**

  Queue Management System has been reconfigured for 45 Commissioner TOLAB. The system is fully functional and servicing the members of the public by properly managing queues.

Table 2.4.4.1:

The Table 2.4.4.1. below reflects ONLY the Planned Targets and Actual achievements from the Originally Tabled Annual Performance Plan (APP) 2020/21 up until the date of re-tabling of the Revised APP 2020/21 in Quarter 2.

Outcomes, Outputs, Performance Indicators and Targets

Programme Name: Administration									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/19**	**Audited Actual Performance 2019/20**	**Planned Annual Target 2020/21**	**Actual Achievement 2020/21 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020/21**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
SUB-PROGRAMME: CORPORATE SUPPORT									
Improved customer centric e-services to Gauteng citizens by 2025.	4 Automated e-Services operationalised.	Number of Automated e-services operationalised.	-	-	1	Business requirements specification for one process (e-Submission.) have been completed.	1	Annual target was revised during the re-tabling of the APP 2020/21 due to COVID-19 pandemic.	The Project was affected by COVID -19 level 5 lockdown regulations and was not awarded.

Although the deviation from planned target to actual target is calculated based on the Annual target in accordance with the Annual Report Guide for National and Provincial Departments issued by the National Treasury on the 31 March 2021, it should be noted that the actual achievements for indicators/targets in the below table do not reflect performance for the entire 2020/21 financial year, but only for Quarter 1 (April to June 2020) of financial year 2020/21.

Table 2.4.4.2:

The table provides for the planned and actual achievements against the re-tabled Revised Annual Performance Plan (APP) 2020/21.

Outcomes, Outputs, Performance Indicators and Targets

Outcome	Output	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
SUB-PROGRAMME: CORPORATE SUPPORT								
Strong Institutions supporting smart mobility in Gauteng	One e-Service operationalised annually	One e-Service operationalised annually	2	-	0	-	-	-
	Two research/ surveys completed annually	Number of research/ surveys completed annually	2	-		-	-	-

The Department has initiated the following Communication projects and Media events:

Media Liaison

The following media liaison activities were undertaken by the Department during the financial year under review:

Media Activities	Quantity
Media Advisories	**145**
Media Statements / Key Messages	**89**
Interviews	**474**
Media Enquiries	**29**
Speeches	**75**
Stakeholder Engagements	**116**

The Department undertook the following Outreach Programmes:

Stakeholder Management

- **Outreach Programmes**

The Gauteng Department of Roads and Transport commenced with a project aimed at deep cleaning, disinfecting and sanitizing taxis (and busses), ranks as well as commuters throughout the Provincial Corridors (Ekurhuleni, Johannesburg, Tshwane, WRDM and Sedibeng) at the introduction of level 5 Lockdown.

The sanitization teams (OUTsurance and Scientology Volunteer Ministers) supported by departmental officials visited various public transport nodes to ensure adherence to lockdown regulations. This has also enabled the Department to conduct assessments of preventive measures to prevent the spread of COVID-19 in the public transport environment. The visit to various public transport nodes was in partnership with private-sector companies including OUTsurance, SA Taxi Finance, AngloGold Ashanti, Clinix Health Group, ARMSCOR, Minibus Taxi Industry, Bus Companies as well as metro/local governments.

To curb the spread of COVID-19 the Department, embarked on the following projects:

- Registration of learner transport operators across the five (5) developmental corridors in the Province. Provision of Personal Protective Equipment (PPE) to transport operators,
- Handover of upgraded Kudube pedestrian bridge to Hammanskraal residents in North of Tshwane, and
- Oversight COVID-19 compliance visits at Evaton Mall; Mamelodi Mall and Germiston Mall.

The Department launched the following initiatives:

- Monitoring initiatives to intensify COVID-19 compliance at Taxi Ranks and Learner Transport initiatives (Taxi Marshalls Monitoring Teams; Taxi Rank and Learner Transport App launches).

October Transport Month Campaign:

October Transport Month presents the Department with an opportunity to occupy the center of discourse on Transport Infrastructure services, however, the campaign took place during COVID-19 lockdown. This presented the following opportunities:

- An increase in web-based communications platforms (these are cheaper than events), and
- Evolvement of social media platforms.

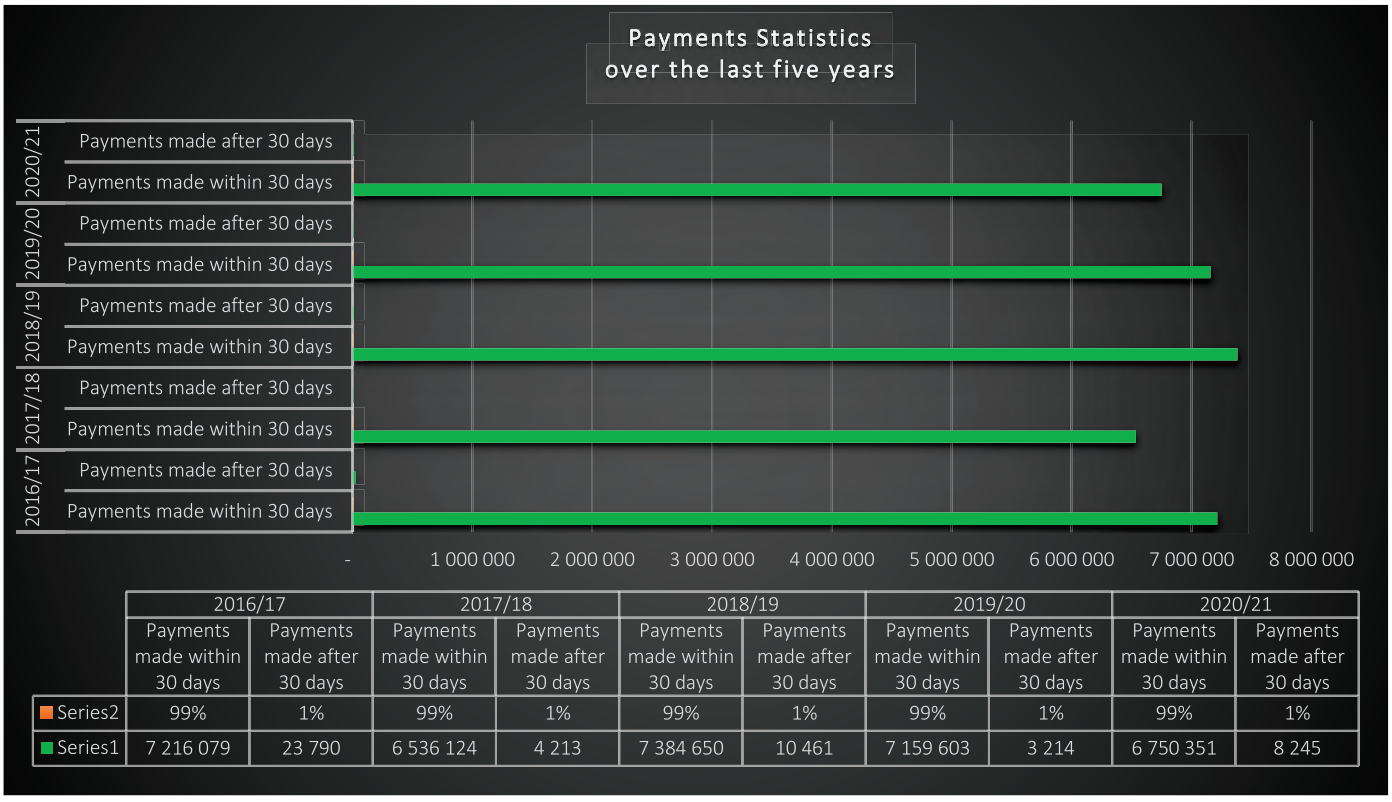
October Transport Month (OTM) activities:

- Provincial October Transport Launch – Re-opening of Snake Road (Sinkhole Repair),
- Gauteng Household Travel Survey (GHTS) Launch,
- Smart Mobility Concept Document Launch,
- The Department hosted a three-day virtual Smart Mobility Africa Conference,
- Taxi summit monitoring committee Launch,
- Remembrance ceremony, paying respect to victims of COVID-19 and gender-based violence at the Bloed Street Taxi rank in Tshwane, and
- Conducted COVID-19 signage audits at departmental facilities.

Payment statistics for the past five years

The Department's endeavour to ensure absolute compliance with laws and to build public confidence has ensured a continuous improvement in the payment cycle over the past five (5) financial years. This is critical in ensuring efficiency in the delivery of projects and sustainability of Small Medium and Micro Enterprises (SMMEs) in line with the Growing Gauteng Together (GGT) 2030 strategy of the Province. In the financial year 2020/21, the Department paid within ninety-nine percent (99%) of authentic claims within the prescribed thirty (30) days' period of which eight-five percent (85%) of those claims/invoices were paid within fifteen (15) and five (5) days, respectively. This is an indication of the Department's commitment to fast-track service delivery to the citizens of Gauteng. In the financial year 2021/22 the Department has further refined its payment processes to further improve the payment cycle and to ensure that goods and services procured from all SMMEs and township businesses are paid within fifteen (15) days.

The below table depicts the achievements over the last five years:



	2016/17		2017/18		2018/19		2019/20		2020/21	
	Payments made within 30 days	Payments made after 30 days	Payments made within 30 days	Payments made after 30 days	Payments made within 30 days	Payments made after 30 days	Payments made within 30 days	Payments made after 30 days	Payments made within 30 days	Payments made after 30 days
Series2	99%	1%	99%	1%	99%	1%	99%	1%	99%	1%
Series1	7 216 079	23 790	6 536 124	4 213	7 384 650	10 461	7 159 603	3 214	6 750 351	8 245

Table 2.4.4.1:

The Table 2.4.4.1. below reflects ONLY the Planned Targets and Actual achievements from the Originally Tabled Annual Performance Plan (APP) 2020/21 up until the date of re-tabling of the Revised APP 2020/21 in Quarter 2.

Outcomes, Outputs, Performance Indicators and Targets

Programme Name: Administration									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/19**	**Audited Actual Performance 2019/20**	**Planned Annual Target 2020/21**	**Actual Achievement 2020/21 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020/21**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
SUB-PROGRAMME: FINANCE									
Improved good governance and accountability in the management of state resources by 2025.	Clean Audit Report.	Clean audit report	0	0	Unqualified audit report 2019/20	0	1	Annual target was revised during the re-tabling of the APP due to COVID-19 pandemic.	Realignment of the target to New target Financially unqualified audit opinion with 2 findings on compliance with laws and regulations and findings on Predetermined Objectives.

Although the deviation from planned target to actual target is calculated based on the Annual target in accordance with the Annual Report Guide for National and Provincial Departments issued by the National Treasury on the 31 March 2021, it should be noted that the actual achievements for indicators/targets in the below table do not reflect performance for the entire 2020/21 financial year, but only for Quarter 1 (April to June 2020) of financial year 2020/21.

Table 2.4.4.2:

The table provides for the planned and actual achievements against the re-tabled Revised Annual Performance Plan (APP) 2020/21.

Outcomes, Outputs, Performance Indicators and Targets

Outcome	Output	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
SUB-PROGRAMME: FINANCE								
Improved good governance and accountability in the management of state resources by 2025.	Clean Audit Report.	Clean audit report	0	0	Financially unqualified audit opinion with 2 findings on compliance with laws and regulations and findings on Predetermined Objectives.	Financially unqualified audit opinion with 3 findings on compliance with laws and regulations and findings on Predetermined Objectives.	1	The Department received an additional finding (3) on compliance with laws and regulations in relation to the Conditional Grant for Public Transport Operations (PTOG) which was not evaluated as required by DoRA. The PTOG evaluation report was not completed due to the Q1 COVID-19 hard lockdown regulations. The evaluation report was subsequently completed and submitted.

Strategy To Overcome Areas of Underperformance

Indicator	Proposed Intervention
Clean audit report	The Department will ensure that the conditional grant is evaluated as per DoRA requirements.

Outcome 2: Increased Socio-Economic Development (SED) in Broad Based Black Economic Enterprises

The following Supply Chain Management activities were executed:

Department's achievement with respect to township economy / SMME / Local procurement for the period under review

The procurement spends for Financial year 2020/21

HISTORICALLY DISADVANTAGED INDIVIDUDALS (HDI)	VALUE IN RANDS	PERCENTAGE
TER	209,420,097.29	16.04%
BBBEE	396,698,152.31	108%
Women	258,282,328.50	38%
Youth	2,820,493.53	25%
PWD	396,698,152.31	0.3%

- **Open tender**

The following tenders were awarded in line with the open tender policy of the Provincial Government:

Tender Number	Description	
1	DRT 07/06/2018	Appointment for the provision of monitoring services for quality road-based subsidised bus contracts for the period of 36 months in Gauteng Province. Bill DRT02: IC48/97 Servicing Soweto
2	DRT 07/06/2018	Appointment for the provision of monitoring services for quality road-based subsidised bus contracts for the period of 36 months in Gauteng Province. Bill DRT01:
3	DRT 07/06/2018	Appointment for the provision of monitoring services for quality road-based subsidised bus contracts for the period of 36 months in Gauteng Province. Bill DRT03:
4	DRT 07/06/2018	Appointment for the provision of monitoring services for quality road-based subsidised bus contracts for the period of 36 months in Gauteng Province. Bill DRT04: IC52/97 Servicing City of Tshwane and Kwa-Ndebele
5	DRT 07/06/2018	Appointment for the provision of monitoring services for quality road-based subsidised bus contracts for the period of 36 months in Gauteng Province. Bill DRT05: D28/96, D30/96, IC54/97, IC08/97 and IC10 & 71/97 servicing areas that include City Tshwane and North-West.
6	DRT 19/02/2019	Professional services for the detail assessment, rehabilitation design, contract documentation and site supervision of respective bridges in the Vereeniging Region within the Gauteng Province.
7	DRT 19/02/2019	Professional services for the detail assessment, rehabilitation design, contract documentation and site supervision of respective bridges in the Benoni Region within the Gauteng Province.

Tender Number	Description	
8	DRT 08/06/2020	The re-gravelling and maintenance operations on gravel roads in Gauteng Province: All 5 Regions (Benoni, Pretoria, Krugersdorp, Vereeniging and Bronkhorstspruit)
9	DRT 16/11/2018	Professional services for the detail design and site Supervision of the R59(P156/2) Pedestrian Bridge in Meyerton:
10	DRT 01/04/2019 **Bill A: Benoni Region**	Supply and installation of Guardrails for a period of 3 years in ALL 5 Regions in the Gauteng Province.
11	DRT 01/04/2019 **Bill B: Bronkhotspruit Region**	Supply and installation of Guardrails for a period of 3 years in ALL 5 Regions in the Gauteng Province.
12	DRT 01/04/2019 **Bill C: Krugersdorp Region**	Supply and installation of Guardrails for a period of 3 years in ALL 5 Regions in the Gauteng Province.

Table 2.4.4.1:

The Table 2.4.4.1. below reflects ONLY the Planned Targets and Actual achievements from the Originally Tabled Annual Performance Plan (APP) 2020/21 up until the date of re-tabling of the Revised APP 2020/21 in Quarter 2.

Outcomes, Outputs, Performance Indicators and Targets

Programme Name: Administration									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/19**	**Audited Actual Performance 2019/20**	**Planned Annual Target 2020/21**	**Actual Achievement 2020/21 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020/21**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
SUB-PROGRAMME: SUPPLY CHAIN MANAGEMENT									
Increased budget spends for socio-economic development	Procurement expenditure spend to targeted groups.	Percentage of BBBEE procurement expenditure awarded to Youth (Non-Cumulative).	-	-	25%	24%	1%	The process of construction industry transformation in terms of GEYODI has been slow.	Realignment of the planned target to new target 10%.

Although the deviation from planned target to actual target is calculated based on the Annual target in accordance with the Annual Report Guide for National and Provincial Departments issued by the National Treasury on the 31 March 2021, it should be noted that the actual achievements for indicators/targets in the below table do not reflect performance for the entire 2020/21 financial year, but only for Quarter 1 (April to June 2020) of financial year 2020/21.

Table 2.4.4.2:

The table provides for the planned and actual achievements against the re-tabled Revised Annual Performance Plan (APP) 2020/21.

Outcomes, Outputs, Performance Indicators and Targets

Outcome	Output	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
SUB-PROGRAMME: SUPPLY CHAIN MANAGEMENT								
Increased budget spends for socio-economic development	Procurement expenditure spend to targeted groups.	Percentage of BBBEE procurement expenditure awarded to HDI's (Non-Cumulative).	-	-	80%	108%	+28%	To improve its achievements, the Department undertook a review and approval of its procurement policy for goods and services. The new policy is in operation and is a further improvement in the Department's overall procurement strategy to enhance economic stimulus and transformation across designated groups.
		Percentage of BBBEE procurement expenditure awarded to Women (Non-Cumulative).	-	-	30%	38%	+8%	
		Percentage of BBBEE procurement expenditure awarded to Youth (Non-Cumulative).	-	-	10%	25%	+15%	

Outcome	Output	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
SUB-PROGRAMME: SUPPLY CHAIN MANAGEMENT								
		Percentage of BBBEE procurement expenditure awarded to PwD (Non-Cumulative).	-	-	2%	0,3%	1,7%	The negative impact of the COVID-19 pandemic response. Both the avoidable and unavoidable tender process delays experienced by the Department.

Strategy To Overcome Areas of Underperformance

Indicator	Proposed Intervention
Percentage of BBBEE procurement expenditure awarded to PwD (Non-Cumulative).	The new Procurement policy is in operation and is a further improvement in the Department's overall procurement strategy to enhance economic stimulus and transformation across designated groups and will drive improvements within project specific planning to drive further transformation.

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

The Department does not have sector a core set of standardised sector indicators. The Province specific indicators are provided for and reported on in tables 2.4.4.1 and 2.4.4.2 above,

Reporting on the Institutional Response to the COVID-19 Pandemic

A complete narrative on the institution's response to the COVID 19 pandemic is outlined in the service delivery and organisational environments sections of this report.

Budget Programme	Intervention	Geographic location (Province/ District/local municipality)	No. of beneficiaries	Disaggregation of Beneficiaries	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP	Immediate outcomes
Programme One	C-19 Screening	Gauteng	88, 523		R0	-		Increased employee health and wellness
	Testing	Gauteng	588	208 females and 380 males	R0	-		
	Contact Tracing	Gauteng	243	165 females and 78 males	R0	-		
	Youth cadets	Gauteng	45		R0	-		
	Induction and awareness	Gauteng	621		R0	-		
	PPE distribution	Gauteng	1,802		R9 million	-		
	Policy development				R0	-		

Budget Programme	Intervention	Geographic location (Province/ District/local municipality)	No. of beneficiaries	Disaggregation of Beneficiaries	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP	Immediate outcomes
	Disinfection of the GDRT premises	28 x Gauteng Department off Roads and Transport sites	Staff complement		R0	R0		
	Floor social distancing markings	28 x Gauteng Department of Roads and Transport sites	Staff complement		R0	R0		
	Colored waste bins and red plastic gabage bags Colored cloths	First batch of the colored cloths was procured in 2020, distributed to some GDRT premises including all DLTCs and they finished. The second batch was received last week, currently in the distribution process continuing where we left. 35 x Colored health care waste bins were procured in 2020, distributed to all GDRT premises. Each waste bin labelled with a message for strictly Covid-19 health care waste.	Johannesburg DLTCs, Pretoria DLTCs and Germiston				R44,275.00 R3,997.50	Proper control and use of PPEs, and disposal of the used.
	48 x Physical Barriers	Johannesburg, Pretoria,				R189,236.64	The use for the	Reduces

Budget Programme	Intervention	Geographic location (Province/ District/local municipality)	No. of beneficiaries	Disaggregation of Beneficiaries	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP	Immediate outcomes
	were procured and distributed/installed at the DLTCs where there was a need and Germiston TOLAB. Currently in the process to procure 70 x physical barriers for the identified needed sites.	Germiston					frontline service areas	COVID-19 infection risks

Linking performance with budgets

Programme expenditure

Administration	2020/21			2019/2020		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000					
Office of the MEC	11, 135	10, 676	459	14, 068	13, 348	720
Management of the Department	49, 691	49, 122	569	35, 532	29, 915	5, 617
Corporate Support	270, 915	252, 018	18, 897	330, 131	287, 814	42, 317
Departmental Strategy	3, 192	3, 065	127	3, 548	3, 020	528
Totals	**334, 933**	**314, 881**	**20, 052**	**383, 279**	**334, 097**	**49, 182**

The Sub-Programmes within this Programme are administrative in nature; therefore, the allocations are funded from the equitable share portion of the departmental allocation. The under spending was as a result of unfilled vacant posts as well as minor goods and services items due to lower usage of resources as a result of COVID-19 mitigation plan.

4.2 Programme 2: Transport Infrastructure

Purpose

The purpose of the Programme is to provide a balanced equitable road network in the Province by promoting accessibility that is sustainable, integrated and environmentally sensitive, which support economic growth and social empowerment.

The Programme is aimed at determining the needs for the development of infrastructure, implementing maintenance and construction Programmes and providing access to communities to unlock economic potential, as well as promoting community development. The Programme consists of four Sub Programmes namely:

List of Sub Programmes

- Infrastructure Planning
- Infrastructure Design
- Construction
- Maintenance

Institutional Outcomes:

- Outcome 3: Improved Gauteng provincial road network by 2025
- Outcome 4: Strong Institutions supporting smart mobility in Gauteng.
- Outcome 8: Reduction of freight on the Gauteng Road Network by 2025

Outcomes, outputs, output indicators, targets and actual achievements

Outcome 3: Improved Gauteng provincial road network by 2025

SUB-PROGRAMME: INFRASTRUCTURE DESIGN

- **BUILDING OF A NEW FREEWAY – PWV15**

PWV15 is a greenfield 35.5km dual carriageway, located East of the OR Tambo International airport in Ekurhuleni Metropolitan Municipality. The Gauteng Infrastructure Funding Agency (GIFA) has compiled a draft signed Memorandum of Agreement (MoA) and the Draft Terms of Reference for an advert to appoint a Transactional Advisor. The planning for a Transactional Advisor have commenced.

Road Designs to be completed this financial year 2020/21

Central Corridor

- **K60 Access road to Ivory Park and Tembisa: between K58 (D51) and Chapman Rd. (K117) and K105 (single carriageway)**

K60 forms an important link between Kempton Park Tembisa and Fourways. The road will be a future contributor towards the economic development in the Ekurhuleni Metropolitan Municipality. The project will create job opportunities for people from Tembisa/ Ivory Park. The designs are completed. Due to COVID-19 the Environmental Impact Assessment (EIA) and Water Use license (WULA) processes were delayed and in progress. Extension of time has been approved for the completion of the EIA and WULA.

Eastern Corridor

- **K117 from K88 to K92 (approximately 2.0 km)**

K117 is a future K route to an existing Zuurfontein road in Tembisa to Barbara/ Isando road in Isando area, Kempton Park. The road will serve as a class 2 road connecting Midrand and Tembisa area with Kempton Park and Germiston area and is 2kms long**.** The designs are completed.

Road Designs to be completed in the financial year 2021/22

Eastern/ Southern Corridors

- **Bridge Management System: BMS 3 (8 bridges)**

The upgrading of the following identified bridges in the Vereeniging and Benoni region will improve safety and support strategic economic development projects such as the Vaal River City, Aerotropolis and Tambo Springs freight Hub.

- **Benoni Region**

Bridge no. C4585,
Bridge no. B843 A,
Bridge no. B843 B, and
Bridge no. B4754.

- **Vereeniging Region**

Bridge no. B1138,
Bridge no. 743,
Bridge no. B3691, and
Bridge no. B483

Initial inspections and assessment report for all structures have been completed. The project is at thirty-five percent (35%) complete.

Southern Corridor

- **R59 Pedestrian Bridge construction (Ntirhisano Project)**

The pedestrian bridge on R59 will be a new construction located in the Meyerton area in the Sedibeng District Municipality. The bridge was identified by the Ntirhisano Programme to provide road safety to community members when crossing the R59. The service provider is appointed, and the project is ten percent (10%) complete at preliminary design stage.

Eastern Corridor

- **K105 upgrading of dual carriageway from K60 Tembisa to Kempton Park**

K105 is in the Ekurhuleni Metropolitan Council and is also known as P38/1. The road forms a link between Tembisa and Kempton Park and will be upgraded to a dual carriageway which will make provision to the Bus Rapid Transit (BRT). The improvement of the road infrastructure will contribute towards economic growth and will support the performance of the Aerotropolis. The project had to be re- routed due to extensive wetlands in the proclaimed route and Rand Water pipe. The preliminary design is completed with recommendation for re-alignment due to extensive wetlands.

Central Corridor

- **K43 (P219) from K142 to K122 approximately 6.24Km**

Road K43 Phase 1 is a portion of the North South Corridor of K43 alignment. K43 Phase 1 will be constructed to develop the Gauteng Strategic road network. The road alignment is planned to provide the link between the areas of Lenasia, Eldorado Park and Walter Sisulu Square (Kliptown). K43 Phase 1 is an upgrade and new construction aimed at alleviating traffic congestion and improving mobility leading to reduced pollutions and travel times. Plans (layout, long section & line) were submitted for reviewing. The project was delayed due to COVID-19 restrictions. A memorandum for extension of time was approved. The project is at detail design stage, and it's planned for completion on the 5th November 2021.

Table 2.4.4.1:

The Table 2.4.4.1. below reflects ONLY the Planned Targets and Actual achievements from the Originally Tabled Annual Performance Plan (APP) 2020/21 up until the date of re-tabling of the Revised APP 2020/21 in Quarter 2.

Outcomes, Outputs, Performance Indicators and Targets

Programme / Sub-Programme: Transport Infrastructure									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/19**	**Audited Actual Performance 2019/20**	**Planned Annual Target 2020/21**	**Actual Achievement 2020/21 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020/21**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
SUB-PROGRAMME: INFRASTRUCTURE DESIGN									
Improved Gauteng provincial road network by 2025.	Road infrastructure designs completed.	Number of designs completed	0	0	11 Designs completed.	0	11	Annual target was revised during the re-tabling of the APP due to COVID-19 pandemic.	Projects were affected by COVID -19 and projects not awarded.

Although the deviation from planned target to actual target is calculated based on the Annual target in accordance with the Annual Report Guide for National and Provincial Departments issued by the National Treasury on the 31 March 2021, it should be noted that the actual achievements for indicators/targets in the below table do not reflect performance for the entire 2020/21 financial year, but only for Quarter 1 (April to June 2020) of financial year 2020/21.

Table 2.4.4.2:

The table provides for the planned and actual achievements against the re-tabled Revised Annual Performance Plan (APP) 2020/21.

Outcomes, Outputs, Performance Indicators and Targets

Outcome	Output	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
SUB-PROGRAMME: INFRASTRUCTURE DESIGN								
Improved Gauteng provincial road network by 2025.	Road infrastructure designs completed.	Number of designs completed	0	0	2 designs completed.	2 designs completed	-	-
	Gauteng surfaced roads visual assessment report completed as per the applicable TMH manual.	Number of kilometres of surfaced roads visually assessed as per the applicable TMH manual.	0	0	4, 571kms	0	4, 571kms	Tender was cancelled due to non-responsiveness of bidders to tender criteria.
	Gauteng gravel roads visual assessment report completed as per the applicable TMH manual.	Number of kilometres of gravelled road visually assessed as per the TMH manual.	0	0	1, 359kms	0	1, 359kms	Tender was cancelled due to non-responsiveness of bidders to tender criteria.

Strategy To Overcome Areas of Underperformance

Indicator	Proposed Intervention
Number of kilometres of surfaced roads visually assessed as per the applicable TMH manual.	Tender to be re-advertised in the new financial year 2021/22.
Number of kilometres of gravelled road visually assessed as per the TMH manual.	

SUB PROGRAMME: CONSTRUCTION

Surfaced Roads Upgraded

The Department has upgraded the following surfaced roads:

Completing 2021/22

Northern Corridor

- **K54: Mamelodi (Tsamaya Road) to R104 Pretoria Bronkhorstspruit Road**

The project involves the doubling of 9km of Greenfield for K54 (from K22 to K69). K54 is in Mamelodi, Tshwane Metropolitan Municipality and forms part of the Northern Corridor. Tsamaya road is between R21 and Westrand. The road will be an important new link between Mamelodi and the N4, while also serving traffic from Moloto. K54 has an important function as part of a future ring road for Greater Pretoria and will serve as a major collector for traffic between Mamelodi and the N4 East. The project is at seventy-one percent (71%) complete. The project experienced delays due to illegal dwellers on the road reserve . The relocation of illegal residents has commenced and once completed, the project will be completed.

- **K69: (Upgrading and doubling of Hans Strijdom (Solomon Mahlangu) from the N4 to Mamelodi to K54)**

The project involves the doubling of 9km of an existing single carriageway with the aim of increasing capacity, safety and accessibility for existing and future developments along the K69. The K69 connects Pretoria CBD and other areas of economic activity to Pretoria East (Mamelodi). This route carries a significant volume of traffic (significant mix of pedestrians, cyclists, and motorists) all trying to get to workplaces in Pretoria. The project is at fifty-six percent (56%) complete.

Surfaced Roads Upgraded

The Department has commenced with the implementation of the number of multi-year road upgrade projects.

Multiyear projects completing in financial year 2022/23

Road Description	Corridor	Progress
Upgrading of Road K148: Intersection with N3.	Eastern Corridor.	The project was delayed due to an interdict based on Environmental Impact Assessment (EIA). The Department is waiting for the court date for the adjudication of interdict application.
Vaal River City Interchange.	Southern Corridor.	The tender was cancelled due to non-responsive bidders. The tender advert was presented to Bid Adjudication Committee (BAC), awaiting signed resolution.
K31 access to Green Gate Development: Reconstruction and upgrade of the M5 Beyers Naude Road.		The tender advert was tabled at the BAC, awaiting resolution.
Upgrading of K73 between Woodmead Drive and Allandale Road (D58) Mushroom farm.		Tender advert was published on 20/11/2020 and will be closing on 29/01/2021. Bid Evaluation Committee (BEC) in commence.
Upgrade of K101 from D795 Olifantsfontein to N1 Brakfontein		The project is on Bid Evaluation.
K15 Phase 3: Upgrading of K15 Adcock Road between K102 Main Street Dobsonville to Wild Chestnut	Central Corridor	The tender was cancelled due to irregularities on the tender specifications. New request to

Multiyear projects completing in financial year 2023-2025

Road Description	Corridor	Progress
K60 Waterfall City: Construction of new link between R55 Woodmead Drive and Allandale Road.	Central and Eastern Corridors	Tender closing date was later extended to 20/04/2021.
K14 between Cullinan and Rayton Road (D483).	Northern Corridor	The project will be advertised in the next financial year 2021/22.
R82 phase 3 (between D1073 (Walkerville) and K164 (De Deur)).	Southern Corridor	The project will be advertised in the next financial year 2021/22.

Table 2.4.4.1:

The Table 2.4.4.1. below reflects ONLY the Planned Targets and Actual achievements from the Originally Tabled Annual Performance Plan (APP) 2020/21 up until the date of re-tabling of the Revised APP 2020/21 in Quarter 2.

Outcomes, Outputs, Performance Indicators and Targets

Programme / Sub-Programme: Transport Infrastructure									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/19**	**Audited Actual Performance 2019/20**	**Planned Annual Target 2020/21**	**Actual Achievement 2020/21 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020/21**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
SUB-PROGRAMME: CONSTRUCTION									
Improved Gauteng provincial road network by 2025.	Surfaced roads upgraded for increased capacity.	Number of kms of surfaced roads upgraded.	0	-	9kms	0	9kms	Annual target was revised during the re-tabling of the APP due to COVID-19 pandemic.	Projects were affected by COVID - 19 pandemic and projects not awarded.
	Smart road NMT infrastructure completed.	Number of kms NMT infrastructure completed.	0	-	18kms	0	18kms	Annual target was revised during the re-tabling of the APP due to COVID-19 pandemic.	Projects were affected by COVID - 19 pandemic and projects not awarded.

Programme / Sub-Programme: Transport Infrastructure									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/19**	**Audited Actual Performance 2019/20**	**Planned Annual Target 2020/21**	**Actual Achievement 2020/21 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020/21**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
SUB-PROGRAMME: CONSTRUCTION									
	EPWP jobs created through infrastructure projects.	Number of construction and NMT jobs created through the implementation of EPWP principles.	76	62	200	0	200	Job opportunities were not created due the road site closure of 1.5 months due to the National Lockdown restrictions.	Job opportunities were affected by COVID-19 pandemic and projects not awarded (K174 and K15).
Service times reduced at the Integrated Transport Customer Service Centres (DLTCs, MVRAs and VTS) by 2025.	Sebokeng DLTC constructed.	Sebokeng DLTC constructed.	-	-	Sebokeng DLTC constructed.	0	Sebokeng DLTC constructed.	Annual target was revised during the re-tabling of the APP due to COVID-19 pandemic.	Projects were affected by COVID - 19 pandemic and projects not awarded.
	Sebokeng TOLAB constructed.	Sebokeng TOLAB constructed.	0	0	Sebokeng TOLAB constructed.	0	Sebokeng TOLAB constructed.	Annual target was revised during the re-tabling of the APP due to COVID-19 pandemic.	Projects were affected by COVID - 19 pandemic and projects not awarded.

Although the deviation from planned target to actual target is calculated based on the Annual target in accordance with the Annual Report Guide for National and Provincial Departments issued by the National Treasury on the 31 March 2021, it should be noted that the actual achievements for indicators/targets in the below table do not reflect performance for the entire 2020/21 financial year, but only for Quarter 1 (April to June 2020) of 2020/21 financial year 2020/21.

Table 2.4.4.2:

The table provides for the planned and actual achievements against the re-tabled Revised Annual Performance Plan (APP) 2020/21.

Outcomes, Outputs, Performance Indicators and Targets

Outcome	Output	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
SUB-PROGRAMME: CONSTRUCTION								
Improved Gauteng provincial road network by 2025.	Surfaced roads upgraded for increased capacity.	Number of kms of surfaced roads upgraded.	0	-	-	-	-	-
	EPWP jobs created through infrastructure projects.	Number of construction jobs created through the implementation of EPWP principles.	76	62	100	15	85	The construction EPWP jobs could not be created due to delays in the following: • Awarding of K148 project to the recommended bidder due to pending legal issues, • Cancellation of K174 tender due to non- responsiveness of bidders,

Outcome	Output	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
SUB-PROGRAMME: CONSTRUCTION								
								• Cancellation of K15 tender due to irregularities on the tender specification, and • COVID-19 National Lockdown regulations.
Gauteng urban transport form restructured by 2025.	Taxi ranks converted into economic transport nodes.	Number of taxi ranks converted into economic transport nodes.	0	Vereeniging Intermodal facility practical completion	-	-	-	-
Strong institutions supporting Smart Mobility in Gauteng	Sebokeng DLTC constructed	Sebokeng DLTC constructed	-	-	-	-	-	-
	Sebokeng TOLAB constructed.	Sebokeng TOLAB constructed.	0	0	-	-	-	-

Strategy To Overcome Areas of Underperformance

Indicator	Proposed Intervention
Number of construction jobs created through the implementation of EPWP principles.	Jobs will be created in the financial year 2021/22 upon awarding of road construction projects.

The Department has executed and rehabilitated the following projects:

Provincial Road Maintenance Grant (PRMG)

The Department was allocated **R745, 007 million** to execute the Provincial Roads Maintenance Programme (PRMG) in the financial year 2020/21**.** In pursuant to complying with commitments relating to COVID-19 compliance, the allocation for the grant was reduced to **R632, 172** and annual PRMG expenditure totalled **R677, 429, 092** which is cumulatively annual expenditure being ninety-nine percent (**99.99%.)**

Routine and Periodic Assessment of the Provincial Road Network

The Department resealed **366, 520.93m²** and patched **129, 708.95m²** of potholes, with drainage and structures cleaned, replacement of manholes and replacement of guard rails as well as roads marking.

Routine Maintenance

The Sub Programme is implemented through a process of outsourced and in-house roads maintenance. The outsourced routine maintenance programme comprises of twenty-five (25) contractors as well as thirty-six (36) learner contractors including fifteen (15) Professional Consultants for supervision. The in-house team comprise of five Regional offices under the leadership of Regional Managers. The Provincial roads network consists of **5, 638km** of roads (**4, 248.44km** surfaced and **1, 389.10km** gravel roads). Seventy-one percent (71%) is implemented through outsourced maintenance whereas twenty-nine percent (29%) in-house.

Periodic Road Maintenance

The material term contracts supported the Maintenance Programme with the provision of crack sealing, streetlights maintenance and installation, herbicides control, guard rails, manhole supply and erect, roads marking, roads signs.

Road Rehabilitation

Completing in 2020/21

Southern Corridor

- **P175/1: Rehabilitation from Vanderbijlpark to Potchefstroom - Phase 2**

P175 is in Johannesburg, Southern Corridor. The road involves rehabilitation of 11.8km from Vanderbijlpark to Potchefstroom. It serves as a distributor for the rural towns along the route and provides a major route from Vereeniging Region towards the North-West Province. The road is complete.

Central Corridor

- **P39/1 Heavy Rehabilitation from Diepsloot to Muldersdrift**

The road forms part of the Central and Western Corridors. The project involves rehabilitation of 14.45kms of road P39/1 between Diepsloot and Muldersdrift in the Westrand. The rehabilitation of road P39/1 will increase structural capacity and safety on the road through the reconstruction of the gravel shoulders. The project progress is at seventy-one (71%) complete. Due to the COVID-19 pandemic regulations and community stoppage, the project experienced delays and an extension of time has been granted to complete the P39/1 project in the financial year 2021/22.

Multi-Year Projects rehabilitation commenced.

The Department has commenced with the implementation of the following multi-year road rehabilitation projects:

Road Description	Corridor	Progress
Rehabilitation of Roads P241/1 (R554) from 15.7km to 19.75km and road D405 (R554) from 0.00 km to 8.75 km (R82).	Central Corridor	The project is at twenty five percent (25%) complete.
P156/3 (R42) from P155/1 to D2563 Vanderbijlpark.	Southern Corridor	The site establishment was completed, and the project is at forty-six (46%) complete.
Rehabilitation of P122/1 from P36/1 (R10) (Solomon Mahlangu Drive Olifantsfontien).	Northern Corridor	The project will be advertised in the next financial year 2021/22.
K175: Rehabilitation of the Road from N4/2 to D670 (8.1km).		The project will be advertised in the next financial year 2021/22.
Rehabilitation of road D483 between P6/1 (Bapsfontein) and D713 Cullinan.		Bid Evaluation Committee (BEC) is re-evaluating the tender to address audit findings.
Rehabilitation of road P126/1 between Ontdekkers road and P16/1 Tarlton.	Western and Central Corridors	The project will be advertised in the next financial year 2021/22.
Rehabilitation of road P103/1 between N14 and N1.		The project will be advertised in the next financial year 2021/22.

Table 2.4.4.1:

The Table 2.4.4.1. below reflects ONLY the Planned Targets and Actual achievements from the Originally Tabled Annual Performance Plan (APP) 2020/21 up until the date of re-tabling of the Revised APP 2020/21 in Quarter 2.

Outcomes, Outputs, Performance Indicators and Targets

Programme / Sub-Programme: Transport Infrastructure									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/19**	**Audited Actual Performance 2019/20**	**Planned Annual Target 2020/21**	**Actual Achievement 2020/21 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020/21**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
SUB-PROGRAMME: MAINTENANCE									
Improved Gauteng provincial road network by 2025	Provincial network surfaced roads rehabilitated for safety and capacity.	Number of kms of surfaced roads rehabilitated.	643, 687.23 m^2	579, 800.00 m^2	28.65kms	0	28.65kms	No target was planned for the period under review (Quarter 1, 2020/21)	Projects were affected by COVID-19 pandemic and projects not awarded
	EPWP Rehabilitation Job opportunities created.	Number of EPWP Rehabilitation Job opportunities created.	33	180	460	0	460	Job opportunities were not created due to the road site closure of 1.5 months due to the national lockdown restrictions.	Job opportunities were affected by COVID-19 restrictions and projects not awarded (P73/1).

Programme / Sub-Programme: Transport Infrastructure									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/19**	**Audited Actual Performance 2019/20**	**Planned Annual Target 2020/21**	**Actual Achievement 2020/21 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020/21**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
SUB-PROGRAMME: MAINTENANCE									
	EPWP Preventative Maintenance Job opportunities created	Number of EPWP Preventative Maintenance Job opportunities created	3, 842	3, 884	4, 000	3, 002	998	The target was revised due to COVID-19 pandemic restrictions	Job opportunities were affected by COVID-19 pandemic and therefore the target was revised.

Although the deviation from planned target to actual target is calculated based on the Annual target in accordance with the Annual Report Guide for National and Provincial Departments issued by the National Treasury on the 31 March 2021, it should be noted that the actual achievements for indicators/targets in the below table do not reflect performance for the entire 2020/21 financial year, but only for Quarter 1 (April to June 2020) of financial year 2020/21.

Table 2.4.4.2:

The table provides for the planned and actual achievements against the re-tabled Revised Annual Performance Plan (APP) 2020/21.

Outcomes, Outputs, Performance Indicators and Targets

Outcome	Output	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
SUB-PROGRAMME: MAINTENANCE								
Improved Gauteng provincial road network by 2025.	Provincial network surfaced roads rehabilitated for	Number of m^2 of surfaced roads rehabilitated.	643, 687.23m^2	579, 800.00m^2	307, 680.00m^2	134, 563.00m^2.	173, 117.00m^2	Due to COVID-19 pandemic regulations and community stoppage, the project experienced delays and an extension

Outcome	Output	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
SUB-PROGRAMME: MAINTENANCE								
	safety and capacity.							of time has been granted to complete the P39 project in the financial year 2021/22.
	Provincial surfaced roads resealed for preservation	Number of m² of surfaced roads resealed.	351, 775.62m²	132, 507.72m²	120, 000.00m²	366, 520.93m²	+246, 520.93m²	Roads deterioration resulted in more roads resealed than anticipated. Roads numbers are as follows: P101/1, K69, P66/1, D318, P1/3, P156/1, P31/1, P1/2, P122/1, P155/1, P156/1, P167/1, P167/2, P103/2, K27, D713 and D318.
	Provincial network roads blacktop patching	Number of m² of blacktop patched.	182, 724.34m²	85, 552.92m²	96, 000.00m²	129, 708.95 m²	+33, 708.95m²	Roads safety requirements for the dilapidated section of road:P175/1, D2762, D758, P156/2, P156/3, P6/2, D321, P70/1 and D374 resulted in more m2 of blacktop patching completed than anticipated.

Outcome	Output	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
SUB-PROGRAMME: MAINTENANCE								
	EPWP Rehabilitation Job opportunities created.	Number of EPWP Rehabilitation Job opportunities created.	33	180	100	31	69	• The rehabilitation job opportunities could not be created due to the cancellation of the tender for P73/1, and • COVID-19 National Lockdown regulations.
	EPWP Preventative Maintenance Job opportunities created.	Number of EPWP Preventative Maintenance Job opportunities created.	3, 842	3, 884	3, 200	3, 825	+625	Additional EPWP job opportunities created due to workforce requirements on the following road projects: P175/1, D2762, D318, P207/1, D1243, P101/1, K69, P66/1, D318 and P1/3, due to rapid deterioration of sections of the road.

Strategy To Overcome Areas of Underperformance

Indicator	Proposed Intervention
Number of m^2 of surfaced roads rehabilitated.	Contractor granted extension of time to complete works
Number of EPWP Rehabilitation Job opportunities created	Jobs will be created in the financial year 2021/22 upon awarding of road rehabilitation projects.

Outcome 4: Strong Institutions supporting smart mobility in Gauteng.

The Department has compiled the following Policy Planning documents:

- **Transport Authority for Gauteng (TAG)**

One of the major strategic interventions of the ITMP25 is the establishment of the Gauteng Transport Authority. The Authority seeks to transform the current fragmentation of public transport governance and the management of institutions into coordinated transport planning. The Authority is also aimed at supporting the Gauteng Global City Region Strategy. The appointments for the TAG Board and the extended Service Level Agreement were being finalised.

- **Review of the 25-Year Integrated Transport Master Plan (ITMP25) & Provincial Land Transport Framework (PLTF) 2020 – 2024**

The Gauteng Integrated Transport Master Plan (ITMP25) approved in 2013 is being reviewed due to the Gautrain Extension Study (Gautrain II) which needs to be included as well as the latest Gauteng household Travel survey data. The provincial wide transport model needs to be updated to support any transport study that are being conducted. This will include the intervention of the smart mobility through integrated public transport system for the Gauteng Smart City Region priority outcome improvement plan. The Review of ITMP25 and PLTF are at the procurement phase through the Department's Entity TAG processes.

- **Gauteng Household Travel Survey (GHTS)**

Gauteng Household Travel Survey (GHTS) provides insight and travel experiences of residents within the Province. The survey indicates travel patterns, opinions about public transport and other modes of transport by the community. It also provides critical data for future transport planning and highlights the efficiency of public transport system including areas of improvement.

The Provincial report has been published and the results of the Gauteng Household Travel Survey 2019/20 were launched by the Department during the October Transport Month Campaign. The five (5) Regional reports have also been completed.

- **Gauteng Freight Data Warehouse**

The Gauteng Data Warehouse will serve as a dataset on freight information accumulated from various provincial projects and stakeholders to have a broad perspective of freight transport trends and needs, to reduce freight congestion on provincial roads.

The Gauteng Freight Data Warehouse will be established in financial year 2022/2023, due to the initial freight projects which must be completed. Desktop review of current Freight Data Bank as a baseline for development of the Freight Data Warehouse is continuing.

- **Green Logistics Indicators (GLI-X)**

The Department continues cooperation with the Federal Ministry for the Environment, Nature Conservation and Nuclear Safety, Global Evidence Synthesis Initiative (GESI) and NEXUS on the Green Logistics Indicator System (GLIX).

The Department continued to engage the KZN Department of Transport, Community Safety and Liaison to build a partnership on developing the freight corridor between Gauteng and KwaZulu-Natal. A partnership workshop was held on September 2020 in Durban. The workshop culminated in an agreement between the two MECs of Transport to explore collaboration on the development of a Smart Corridor between KZN and Gauteng. As a follow up to the Durban workshop, the Department in collaboration with the KZN Department of Transport together with the German team (GESI and NEXUS) held a kick-off webinar on the 14th December 2020 to kick start the process and to develop the smart corridor concept further, including setting up of the technical teams to work on the initiative. The GLIX Smart Corridor Technical Working Committee was established, encompassing liaison between Gauteng, Kwa Zulu-Natal, SANRAL and Transnet. A Draft Memorandum of Understanding (MOU) with KZN Department of Transport has been compiled.

- **Investigation into an appropriate network hierarchy and associated support infrastructure for minibus taxi operations in Gauteng Province.**

The project aims to investigate an appropriate network hierarchy and associated infrastructure necessary to support safe, effective, and efficient minibus taxi operations in the Gauteng Province. The precursor to an appropriate mini-bus taxi network hierarchy is to understand the minibus taxi industry by gathering relevant data about the industry. In pursuit of gathering data about the industry, mapping of the mini-bus taxi routes was recently finalised. The scope of the project includes data collection at facilities and network design activities.

In the year under review, the planning for the survey of mini-bus taxi facilities commenced with an inception report and development of the survey instrument. Consultations with taxi industry continued and engagements were held with Sedibeng and Westrand Regional Taxi Associations. Training was provided to field surveyors (supervisors and enumerators) for the West Rand Region and a Pilot survey to test the survey instrument was conducted. The survey will be completed in the financial year 2021/22.

- **Route Determinations**

Route Determination focus on refining and amending routes for the Province to ensure that these are aligned to the Gauteng Spatial Development Framework. The Department has identified twenty-eight (28) routes currently in process and twenty-nine (29) routes over the Medium-Term Expenditure Framework (MTEF) which will be amended to include support for road freight hubs. These routes will provide future support to land use development, especially the establishment of mega settlements, the Aerotropolis and Freight Hubs.

An advertisement indicating that the Gauteng Province has given notice that proposes the determination of the routes on provincial roads/railway line in terms of section 6 of the Gauteng Transport Infrastructure Act 8 of 2001 (as amended) has been gazetted in the Provincial Gazette.

The final Route Determination for routes as indicated below have been completed and submitted for advertising in Government Gazette.

- **Project A** (K14 at K177; K203 at K177; K16 between K169 and PWV19; PWV6 at N4),
- **Project B** (K106 at K175; K109 at K68; K163 between N17 and K136; K175 with quarter link to K173 & K179),
- **Project C** (K156 Extension Westwards; K176 Extension Westwards; K178 Extension Westwards and K213 Extension Southwards),
- **Project D** (K9 between K156 and K11; PWV 16 between K211 and K5; PWV8 between K13 and PWV1),
- **Project E** (K17 btween K24 and K26; K24, West of K76; K26 between K76 and K17, K76 at and North-West of K197),
- **Project F** (K96 between K197 and K76; K102 between K140 and PWV1); K140 extension west of K102; (K211 between P89-1 and K228),
- **Project G** (K228, West of K76; PWV12A with the extension West of K5 to the provincial border), and
- **Project H** (K83 extension eastwards; K77 realignment of K77).

Outcome 8: Reduction of freight on the Gauteng road network by 2025

The reduction of road-based freight transport to rail will reduce congestions on the road network and contribute to more efficient travel times of road- based public transport. To achieve this, the Department has executed the following projects:

- **Feasibility Study for Travel Demand Management (TDM) of heavy road freight during the peak periods**

Gauteng is South Africa's economic hub with approximately sixty percent (60%) of South Africa's imports and exports being delivered to or originating from this Province. The fiscal constraints resulting from the depressed economy have serious implications for the maintenance of infrastructure, industrial growth, and employment.

The Department has a research support need for the study of travel demand management of heavy road freight traffic during the peak periods. This is required as traffic congestion is increasing annually on the national, provincial, and municipal roads in Gauteng, resulting in increasing road user costs and congestion detrimental to economic growth.

The feasibility study for travel demand management of heavy road freight during peak periods in Gauteng, which will include key tasks to understand the status of Truck Stops, current and future needs, roles, and responsibilities of the Department will be included under the review of the ITMP25.

- **Gauteng Integrated Smart City Modelling Centre (GISCMC) for Road, Rail and Transport Planning (Maintain functionality)**

The Department has identified a tool which is being utilised to meet the growing set of functional requirements needed for transportation system modelling called the Transport Modelling Centre. This tool will provide the transport evidence-based decision-making capabilities which are required to improve the mobility of goods and people in the Province. The Transport Model requires updating annually which include new transport links, traffic information, land use information, demographics, and economic data.

To standardise the format of public transport data, the Department and CSIR initiated a process to convert public transport data into GTFS Format. The appointment of the service provider was finalised and the process to survey and convert subsidised busses data has commenced.

The Department continued to work with the CSIR to include District Municipalities in the model and to develop scenarios. Data collection took place from the metros to obtain necessary datasets for scenario development (these include housing projects, megaprojects, transport expansions, urban edge, priority areas, etc.).

Prioritised freight hubs

- **Tambo Springs Intermodal Gateway Development**

The Tambo Springs Freight and Logistics Intermodal Hub has been identified to address the need to expand container capacity within Gauteng and optimize the migration of containerized cargo from Road to Rail. The Tambo-Springs site is in the Southern parts of Johannesburg, within the Johannesburg/ Durban road freight and rail corridor. The site has access to important road networks including the N3 freeway to Durban; the N1 to Cape Town; the R390 to Port Elizabeth and East London, as well as to the industrial centres in Johannesburg and Ekurhuleni.

The coordination of investment activities between Transnet, the Gauteng Province, the City of Ekurhuleni, and the South African National Roads Agency (SANRAL) remain crucial in the provision of required roads and bulk infrastructure and as such, a Multi-Disciplinary Steering Committee has been established and led by the Department of Roads and Transport to ensure that all relevant project management issues are addressed to support the effective implementation of the project. Significant progress has been made in the design of the road network as follows:

- The primary link to the proposed Tambo Springs Logistics Gateway from the N3 includes the planned K148/N3 Interchange, and
- The Designs for K148/N3 interchange which is the primary link to Tambo Springs Logistics Gateway are complete.

The construction of the K148 interchange is anticipated to commence in the financial year 2021/22.

Table 2.4.4.1:

The Table 2.4.4.1. below reflects ONLY the Planned Targets and Actual achievements from the Originally Tabled Annual Performance Plan (APP) 2020/21 up until the date of re-tabling of the Revised APP 2020/21 in Quarter 2.

Outcomes, Outputs, Performance Indicators and Targets

Programme / Sub-Programme: Transport Infrastructure									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/19**	**Audited Actual Performance 2019/20**	**Planned Annual Target 2020/21**	**Actual Achievement 2020/21 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020/21**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
SUB-PROGRAMME: INFRASTRUCTURE PLANNING									
Increased Data Centric Mobility in Gauteng by 2025.	Smart Mobility Transport planning studies completed.	Number of transport planning studies completed.	-	0	1 (GHTS Report completed)	1 (GHTS Report completed)	-	-	Realignment of the Outcome to New Outcome: Strong Institutions supporting smart mobility in Gauteng.

Although the deviation from planned target to actual target is calculated based on the Annual target in accordance with the Annual Report Guide for National and Provincial Departments issued by the National Treasury on the 31 March 2021, it should be noted that the actual achievements for indicators/targets in the below table do not reflect performance for the entire 2020/21 financial year, but only for Quarter 1 (April to June 2020) of financial year 2020/21.

Table 2.4.4.2:

The table provides for the planned and actual achievements against the re-tabled Revised Annual Performance Plan (APP) 2020/21.

Outcomes, Outputs, Performance Indicators and Targets

Outcome	Output	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
SUB-PROGRAMME: INFRASTRUCTURE PLANNING								
Reduction of freight on the Gauteng road network by 2025.	Freight Travel Demand Management Plan developed.	Freight Travel Demand Management study completed.	-	-	-	-	-	-
Strong Institutions supporting smart mobility in Gauteng.	Smart Mobility Transport planning studies completed.	Number of transport planning studies completed.	-	0	1 (GHTS Report completed)	1 (GHTS Report completed	-	-

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

The Transport infrastructure transversal standardised outputs and output indicators 3-year term ended in 2019 and were under review during the financial year with the National and Provincial Transport Departments and therefore not included. The two indicators are report above (Number of kilometres of surfaced roads visually assessed as per the applicable TMH manual and Number of kilometres of gravelled road visually assessed as per the TMH manual, Number of m² of blacktop patched, Number of m² of surfaced roads resealed, Number of m^2 of surfaced roads rehabilitated, Number of EPWP on Job opportunities created).

Reporting on the Institutional Response to the COVID-19 Pandemic

Completed under Programme One

Linking performance with budgets

Programme expenditure

Transport Infrastructure	2020/21			2019/2020		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000					
Infrastructure Planning	107, 183	62, 520	44, 663	63, 329	58, 064	5, 265
Infrastructure Design	196, 638	131, 725	64, 913	154, 781	111, 765	43, 016
Construction	539, 170	421, 599	117, 571	560, 835	536, 202	24, 633
Maintenance	1, 291, 296	1, 131, 325	159, 971	1, 429, 828	1, 427, 135	2, 693
Programme Support Infrastructure	48, 332	43, 548	4, 784	31, 717	26, 181	5, 536
Total	**2, 182, 619**	**1, 790, 717**	**391, 902**	**2, 240, 490**	**2, 159, 347**	**81, 143**

The allocation for this Programme includes the PRMG and provincial earmarked infrastructure allocations. These two allocations form the core of this Programme and of the Department.

Infrastructure Planning

The Infrastructure Planning Sub-Programme is responsible for guiding the infrastructure development based on demand through route determinations, mapping of Minibus Taxi Routes, the ITMP 25 the Gauteng Transport Authority (GTA), and a range of other planning projects. The expenditure for 2017/18 to 2019/20 financial years was steady between R50 and R58 million in line with the plans for that period. In financial year 2020/21, the unit's budget increased significantly to R115 million to accommodate the filling of vacant posts and to augment the planning project's budget.

Infrastructure Design

The Infrastructure Design unit is responsible for the design of road infrastructure projects and the management of the land proclamation processes. Expenditure for the design unit increased from R1114 million in financial year 2017/18 to R177 million in financial year 2018/19 due to an increase in the number of projects being implemented during that period as well as a general increase in the cost of land. The expenditure then decreased to R112 million in financial year 2019/20 due to the fewer land proclamations during that financial year. The allocation increased significantly in financial year 2020/21 to accommodate the Rosslyn Hub Project in line with the Premier's commitment of upgrading the Rosslyn Motor City, and the budget adjustment was due to the disruption of processes during the lockdown period that affected the ability to deliver on the design projects.

Construction

The Construction unit is responsible for the upgrades, rehabilitation, and construction of new roads within the Province. The expenditure within the Sub-Programme decreased from R903 million in financial year 2017/18 to R536 million in financial year 2019/20 due to lower number of projects to be executed in that financial year. In financial year 2020/21, the budget was reduced by half due to the effect of the lockdown regulations on the construction sector – the sites were closed, and no construction work took place for over a month during the financial year under review. Over the MTEF, the budget remains low but grows steadily from R670 million in financial year 2021/22 to R937 million in financial year 2023/24 due to the number of projects that are still at procurement stage.

Maintenance

The Maintenance unit is responsible for the maintenance of roads in the provincial network and is funded by the PRMG, the EPWP grant and the infrastructure equitable share allocation. Expenditure increased

from just over R1 billion in financial year 2017/18 to R1.4 billion in the financial year 2019/20 due to the increasing need for routine, periodic and preventative maintenance investment based on the condition assessment reports. This investment has significantly improved the provincial roads infrastructure assets. While road maintenance was regarded as an essential service throughout the lockdown period, not all the works were completed, and this affected the budget allocation in the financial year 2020/21. The budget was reduced from R1.5 billion to R1.3 billion during the financial year. The Unit's budget over the MTEF period increases from R1.5 billion to R1.8 billion to ensure that there is significant catch-up of the Programme and to further improve the condition assessment of the provincial roads network.

Programme Support Infrastructure

This Programme Support Infrastructure Sub-Programme is allocated with the operational budget for all the Sub-Programmes. Expenditure was high in the financial years 2017/18 and 2018/19 due to the settled legal claims. The expenditure settled in the financial year 2019/20 as it only related to the operation costs for the Roads Branch. In financial year 2020/21, the budget was adjusted upwards to cover the centralisation of the Departmental fleet budget to the Construction Fleet Sub-Directorate to ensure seamless payment and management of the invoices. The budget over the MTEF reflects the inconsistent allocations made in relation to the Department's allocations by the Provincial Treasury.

4.3 Programme 3: Transport Operations

Purpose

The objective of the Programme is to provide integrated, subsidised, province-wide public transport services, facilitate the provision of public transport services and infrastructure in partnership with National and Local government as well as private sector formations. The Programme further provides policy development and planning to manage, integrate and coordinate the transport system and infrastructure in the Province. The objective of this Programme is to develop the policy framework to support a modern, integrated, and intelligent transport system and public transport infrastructure. The Programme consists of the following Sub-Programmes:

List of Sub Programmes

- Public Transport Services

Institutional Outcomes:

- Outcome 5: An improved smart, affordable and accessible public transport system.
- Outcome 6: Increased Data Centric Mobility in Gauteng by 2025.

Outcomes, outputs, output indicators, targets and actual achievements

Outcome 5: An improved smart, affordable and accessible public transport system

To enable the Province to address the challenges that come with rapid urbanization, the Department has executed the following projects:

SUB-PROGRAMME: PUBLIC TRANSPORT SERVICES

Public Transport Operations Grant (PTOG)

The Department manages thirty (30) bus subsidy contracts (twenty-two (22) tendered and eight (8) interim contracts) which have been awarded to thirteen (13) bus operators. The subsidised bus services are operated by bus companies on behalf of government through a system of either interim or tendered contracts. Twenty-eight (28) contracts are funded by Public Transport Operations Grant (PTOG) and two (2) ceded contracts from North-West Province are funded by the Gauteng Province. These contracts are operated in the three (3) metros, namely: City of Johannesburg, City of Tshwane, and Ekurhuleni as well as Sedibeng District Municipality.

- **Bus Subsidy Monitoring**

The Division of Revenue Act (DORA) requires that all thirty (30) bus contracts be monitored to ensure that bus subsidy contracts comply with applicable Legislation. Thirty (30) bus subsidy contracts are manually monitored by both internal personnel and external Supervisory Monitoring Firms (SMFs). Two (2) SMFs have been appointed by the Department i.e, Ranti and Associates and MTM Management to monitor bus contracts utilizing an automated electronic system. The system was introduced to monitor bus contracts in the City of Johannesburg and Tshwane. Sedibeng and Ekurhuleni contracts are currently monitored manually by the Departmental officials.

- **Electronic Monitoring System**

The Department has identified the introduction of an Automated/Electronic Bus Monitoring System as a requirement to support the modernization of public transport. The system will improve the administration of Bus Operations, minimisation of human related errors thus, enhancing payment verifications with accurate and auditable information. One thousand, six hundred and sixty-nine (**1, 669**) which is eighty-seven percent **(87%)** of contracted subsidised busses were installed with electronic monitoring system.

Outcome 6; Increased Data Centric Mobility in Gauteng by 2025

To enable an integrated Fare Management System in Gauteng, the Department has executed the following projects:

- **Digital Solution for Law Enforcement in the Minibus Taxi Industry in Gauteng Province (DigiSol)**

The Gauteng Department of Roads and Transport requested the Council of Scientific and Industrial Research (CSIR) to develop a digital solution to improve public transport law enforcement, particularly in the Minibus Taxi Industry. The solution was found to be necessary due to the current enforcement approaches which are dependent on manual systems which are prone to fraud and administrative inefficiencies. Among other regulated matters, law enforcement in the Minibus Taxi Industry establishes whether a vehicle is authorised to be on the road and has a valid Operating Licence; and which the vehicle is operating on a route that corresponds to the Operating Licence.

The project was initiated to achieve the following three (3) main outcomes: (i) improved quality of basic datasets pertaining to the registration of Minibus Taxis, (ii) functional integration of datasets which contained the different Minibus Taxi regulatory systems, and (iii) development of a digital toolkit to enhance the efficiency and effectiveness of law enforcement that makes use of the cleaned datasets.

The database of over two thousand (2, 000) Taxi and Learner Transport Operators together with two thousand, three hundred and fifty-five (2, 355) Minibus Taxi Cadets and a C-More App was developed as an extension of the Minibus Taxi Database.

Minibus Taxi Cadets are members of the Minibus Taxi Industry assisting with COVID-19 work at all public transport facilities and these includes taxi rank managers, taxi rank marshals and regional coordinators. Members were registered according to their region of operation and association. The total number of registered cadets was recorded at two thousand, three hundred and fifty-five (2, 355) including the cadets from the Gauteng Education Transport Services.

The region of Johannesburg recorded the highest number of registered cadets at, nine hundred a d forty-three (943), followed by the region of Tshwane at five hundred, and sixty-eighty (568).

The region of Ekurhuleni and Sedibeng recorded three hundred and seventy-six (376) and two hundred and fifty-eight (258) respectively, with the lowest number registered being the region of West Rand which recorded only two hundred and ten (210). To avoid duplication of registered cadets, ID numbers were used as unique identity for each cadet.

On 19th January 2021, the Department requested that Gauteng Public Transport Operations, the office of the Premier and the CSIR work together to assist with the registration of Military Veterans (MV) on the existing Cadet Program. The need to register the MV cadets arose after an identification of lack of capacity to monitor COVID-19 compliance in the Learner Transport Industry.

The total number of registered cadets was recorded at five hundred and fifty-two (552), the region of Johannesburg recorded the highest number of registered cadets at, one hundred and seventy (170), followed by the region of Tshwane at one hundred and thirty-six (136). The region of Ekurhuleni and Sedibeng recorded one hundred and fourteen (114) and eighty-eight (88) respectively, with the lowest number of registered cadets being within the region of West Rand which recorded only forty-four (44).

Sub-Programme: Public Transport Integration and Special Projects

Integrated Fare Management

The objectives of this project are to implement a single Electronic Ticketing System for all modes of public transport in the Province.

- **Transport Management Centre (TMC)**

The objective of this project is to implement a central Transport Management Centre for monitoring and management of an integrated public transport system in the Gauteng Province (this includes, the Single Ticketing System, Public Transport Information Systems, central Applications Programming Interface (data concentrator) and journey planning). During the period under review, the technical and functional requirements are specifications for the TMC's equipment and staff requirements have been finalised. The interim TMC venue was secured, and the out fitting will be completed in the financial year 2021/22.

Taxi Transformation

The Department continues to conduct and monitor delivery of the Taxi Industry Summit resolutions. Gauteng Department of Economic Development has signed a Memorandum of Understanding (MOU) to support the Department on its Public Transport Operators Transformation and Economic Empowerment projects with emphasis on township projects and job creation. Financial and non -financial support will be provided to public transport projects through this MOU. As part of Department's Taxi Industry Summit resolutions, a taxi support programme was developed and a Gauteng Taxi Industry Trust was established for the Taxi Industry. The Trust is aimed at implementing projects of mutual interests which advances the Department's mandate of an integrated, safe, reliable, affordable and accessible public transport system. Funding of R20 million was transferred to the Trust. The Alexandra citizens and Pan Africa Mall Taxi Rank patrons continue to enjoy the use of free Wi-fi such that there has been requests to extend the facility to Fourways and Randburg Taxi Ranks.





Table 2.4.4.1:

The Table 2.4.4.1. below reflects ONLY the Planned Targets and Actual achievements from the Originally Tabled Annual Performance Plan (APP) 2020/21 up until the date of re-tabling of the Revised APP 2020/21 in Quarter 2.

Outcomes, Outputs, Performance Indicators and Targets

Programme Name: Transport Operations									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/19**	**Audited Actual Performance 2019/20**	**Planned Annual Target 2020/21**	**Actual Achievement 2020/21 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020/21**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
SUB-PROGRAMME: PUBLIC TRANSPORT SERVICES									
Gauteng urban transport form restructured by 2025.	14 New subsidised bus contracts operationalised. (Non - Cumulative)	Number of Bus contracts Operationalised.	0	0	14	0	14	The model tender and contract documents were not published as the draft advert was awaiting approval by Probity Audit.	COVID–19 Public Transport Regulations impacted on engagements with relevant stakeholders resulting in the target being revised. Realignment of the Outcome to New Outcome – An improved smart, affordable and accessible public transport system.

Programme Name: Transport Operations									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/19**	**Audited Actual Performance 2019/20**	**Planned Annual Target 2020/21**	**Actual Achievement 2020/21 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020/21**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
SUB-PROGRAMME: PUBLIC TRANSPORT SERVICES									
	90%Reliability of subsidized bus services to commuters.	% reliability of subsidized bus services to commuters.	-	-	60%	0	60%	Delays experienced in achieving the target due to the Supervisory Monitoring Firms (SMF) only appointed in Quarter 1, of the financial year 2020/21.	The outcome, output and the indicator were revised to align to the new methodology being implemented by the Department to monitor bus services.
	Expenditure of Subsidy allocation associated with Transformed Taxi Industry operators by 2025.	% Expenditure of Subsidy allocation associated with Transformed Taxi Industry operators by 2025.	-	-	A minimum of 5% of subsidised bus contracts value allocated to previously disadvantaged public transport operators.	-	-	No target was planned for the period under review (Quarter 1, 2020/21).	Due to the delays experienced in the finalisation of the new subsidised bus contracts. The project was also affected by the COVID-19 pandemic and was revised.

Programme Name: Transport Operations									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/19**	**Audited Actual Performance 2019/20**	**Planned Annual Target 2020/21**	**Actual Achievement 2020/21 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020/21**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
SUB-PROGRAMME: PUBLIC TRANSPORT SERVICES									
	Taxi ranks converted into economic transport nodes.	Number of taxi ranks converted into economic transport nodes.	-	-	Vereeniging Intermodal Facility Practical completion	0	1	The project was transferred to Gautrain Management Agency as the implementing agent and the project is being re-scoped.	The project has been rescoped and revised to be delivered in the financial year 2022/23
Increased Data Centric Mobility in Gauteng by 2025.	GPG employee utilising the GPG lift club app.	Number of Gauteng Government Departments utilising the GPG Lift Club APP.	-	-	4	0	-	The GPG Lift Club App project was not executed due to the National Lockdown restrictions during the financial year 2020/21.	The project was affected by COVID-19 pandemic and was revised.
	Integrated Fare Management system.	The Account Based Ticketing (ABT) system operationalised on identified modes.	-	0	ABT system at all the BRT services and Metrobus operationalised.	-	-	No target was planned for the period under review (Quarter 1, 2020/21).	The project was affected by the COVID-19 pandemic and was revised.

Although the deviation from planned target to actual target is calculated based on the Annual target in accordance with the Annual Report Guide for National and Provincial Departments issued by the National Treasury on the 31 March 2021, it should be noted that the actual achievements for indicators/targets in the below table do not reflect performance for the entire 2020/21 financial year, but only for Quarter 1 (April to June 2020) of financial year 2020/21.

Table 2.4.4.2:

The table provides for the planned and actual achievements against the re-tabled Revised Annual Performance Plan (APP) 2020/21.

Outcomes, Outputs, Performance Indicators and Targets

Outcome	Output	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
SUB-PROGRAMME: PUBLIC TRANSPORT SERVICES								
An improved smart, affordable and accessible public transport system.	9 New subsidised bus contracts operationalised.	Number of Bus Contracts Operationalised.	0	0	6 New subsidised bus contracts operationalised.	0	6	6 New subsidised bus contracts operationalised could not be realised due to delays in the finalisation of the bid specification.
	100% of subsidised bus contracts electronically monitored.	% subsidised bus contracts electronically monitored.	-	-	80% of subsidised bus contracts electronically monitored.	87% subsidised bus contracts electronically monitored were fitted with Electronic Monitoring System.	+7%	The Department received good support from operators for the installation of the Electronic Monitoring System.

Outcome	Output	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
SUB-PROGRAMME: PUBLIC TRANSPORT SERVICES								
	A minimum of 30% of subsidised bus contracts value allocated to previously disadvantaged public transport operators.	% of subsidised bus contracts value allocated to previously disadvantaged public transport operators.	-	-	Subsidy empowerment model piloted with previously disadvantage public transport operators.	0	1	Delays experienced in signing the agreement due to contractual operational issues raised by the identified operator.
	Database of the Minibus Taxi Operators updated annually.	Database of the Minibus Taxi Operators updated annually.	-	-	Mini bus Taxi operator database developed.	Mini bus Taxi operator database developed.	-	
	3 Taxi ranks developed as Economic node.	Number of Taxi Ranks developed as Economic nodes.	-	-	Taxi Ranks to Economic Hub model developed.	0	1	The Taxi ranks to Economic Hubs framework has been drafted and was not finalised due to the following: COVID-19 delayed completion of the upstream policy documents (BB7, BB10 and the Taxi Facilities Survey) and whose review could not be concluded.
	Integrated rail system for Gauteng Province.	Rail operations and oversight of rail entities.	-	.-	-	-	-	-

Outcome	Output	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
SUB-PROGRAMME: PUBLIC TRANSPORT SERVICES								
Increased Data Centric Mobility in Gauteng by 2025.	The Account Based Ticketing (ABT) system operationalised on identified public transport modes	Number of identified public transport modes with operationalised Account Based Ticketing (ABT) system.	-	EMV has been successfully Implemented by Gautrain, Rea Vaya and A re Yeng – This is for bank issued cards. ABT Requirements Specifications for an ABT system have been finalised – This is for non-bank issued cards	-	-	-	-
		Transport Management Centre (TMC) Operationalised.	0	0	Interim TMC established.	0	1	The identified TMC venue was found to be unsuitable.

Strategy To Overcome Areas of Underperformance

Indicator	Proposed Intervention
Number of Bus Contracts Operationalised	The Department to expedite the finalisation of the 3 bus tenders advertising and 6 bus tenders operationalised in the financial year 2021/22.
% of subsidised bus contracts value allocated to previously disadvantaged public transport operators	To expedite the signing of the contract and commence with the piloting of the Subsidy Empowerment Model in the financial year 2021/22.
Number of Taxi Ranks developed as Economic nodes	The model to be completed in the financial year 2021/22.
Transport Management Centre (TMC) Operationalised	A new venue has been identified to be the official TMC venue. The Interim TMC will be established in the financial year 2021/22.

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

Transport transversal standardised outputs and output indicators have not been incorporated in the Departmental Revised Annual Performance Plan and therefore not implemented and reported on in the Annual Report. The standardised outputs 3-year term ended in 2019 and were under review during the financial year with the National and Provincial Transport Departments and therefore not included. Further, the standardised indicators for Programme 3 related to the subsidised bus contracts implemented by the Department which were revised and realigned from thirty-two (32) contracts to nine (9) new subsidised contracts. Six (6) new contracts were planned to be awarded with three (3) being operationalised during the financial year under review.

Reporting on the Institutional Response to the COVID-19 Pandemic

The narrative on the Public Transport COVID-19 Programme is outlined in the above narratives of Programme Three.

Table: Progress on Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographic location (Province/ District/local municipality)	No. of beneficiaries	Disaggregation of Beneficiaries		Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP	Immediate outcomes
Programme Three	To ensure that there's compliance to the COVID-19 Disaster Management regulations protocols that include sanitisation, disinfection of vehicles (regular Public Transport) and deep cleaning of Bus Terminus and Depots. Observance of social distancing as well as the wearing of masks	Gauteng Province: Johannesburg, Tshwane, Sedibeng, Ekurhuleni.	32	D24/95	City of Tshwane	R7, 143, 285.94		100% of subsidised bus contracts electronically monitored. 3 Taxi ranks developed as Economic nodes	To improve public Transport and Prevention of COVID-19
				D25/95	City of Tshwane				
				D26/95	City of Tshwane				
				IC56/97	Brakpan Bus Company				
				D20/95	JHB Metropolitan Bus Serv				
				667/2	Ipelegeng				
				667/4	Ipelegeng				
				GT667-3	Gauteng Couches PTY LT				
				1062/1	Lekoa (mqibelo) bus servic				
				D30	Atteridgeville Bus Services				
				IC08/97 - Demarcation	Northwest Star PTY LTD				
				GT1187/4	JR Choeu Chloorkop				
				GT1062/5	Asibemunye Transport Tru				
				GT1062/4	Gauteng Couches PTY LT				
				D29	Atteridgeville Bus Services				
				GT1062/2	Gauteng Couches PTY LT				
				IC10/97 - Demarcation	Northwest Star PTY LTD				
				IC54/97	Northwest Star PTY LTD				
				IC53/97	Northwest Star PTY LTD				
				D18/95	Putco LTD				
				D19/95	Putco LTD				
				D22/95	Putco LTD				
				D17/95	Putco LTD				
				IC51/97	Putco LTD				
				IC48/95	Putco LTD				
				IC52/95	Putco LTD				

Budget Programme	Intervention	Geographic location (Province/ District/local municipality)	No. of beneficiaries	Disaggregation of Beneficiaries	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP	Immediate outcomes
				GT1062/3 Amogelang D28 Atteridgeville Bus Services				
	Digital solution to enhance law enforcement as well as manage COVID-19 Interventions reporting through development of a system and App	Province-wide	14, 553	Operators Female- 3, 935 Youth – 2, 602	5, 000	4, 700	MB Taxi Database	To improve public Transport
	Taxi Cadet Programme – Job creation exercise meant to assist in the COVID-19 interventions as well as provide temporary relief to the Taxi Industry	Province-wide	2, 083	Youth – 333 Female - 131	44, 000	25, 307	MB Taxi Database	To improve public Transport

Linking performance with budgets

Programme expenditure

Transport Operation	2020/21			2019/2020		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000					
Public Transport Services	2, 805, 582	2, 056, 779	748, 803	2, 682, 707	2, 224, 203	458, 504
Programme Support Operations	49, 371	27, 161	22, 210	7, 288	2, 530	4, 758
Total	**2, 854, 953**	**2, 083, 940**	**771, 013**	**2, 689, 995**	**2, 226, 733**	**463, 262**

This is the core public transport Programme and includes the allocations for the Public Transport Operations Grant (PTOG) and the North-West Star demarcation contracts that are both within the transfers and subsidies item and within the Public Transport Services (PTS) Sub-Programme. The Programme Support Operations (PSO) Sub-Programme is for the operational items of the unit. The increase in expenditure from R2.1 billion in financial year 2017/18 to R2.2 billion in financial year 2019/20 for PTS is in line with the underspending in the PTOG due to the penalties levied against the operators and the delays in the finalisation of new contracts in Tshwane and Sedibeng. The decrease in expenditure incurred in the PSO Pub-Programme is in line with the cost-containment measures within the Programme.

4.4 Programme 4: Transport Regulation

Purpose

The purpose of the Programme is to regulate private and public transport by facilitating the provision of Learner and Driver License, Motor Vehicle Fitness and Motor Vehicle Registration and Licencing, registration of Operating Licences and the establishment of Transport Operating Licence Administrative Bodies (TOLABs) and the Provincial Regulatory Entity (PRE) public and freight transport services and infrastructure in partnership with National and Local government as well as private sector formations. The two (2) Sub-Programmes are Transport Administration and Licencing, and Operator License and Permits.

- Transport Administration and Licencing.
- Operator License and Permits.

Institutional Outcomes:

- Outcome 7: Improved service times at the Integrated Transport Customer Service Centres (DLTCs, MVRAs and VTS) by 2025.

Outcomes, outputs, output indicators, targets and actual achievements

Outcome 7: Improved service times at the Integrated Transport Customer Service Centres (DLTCs, MVRAs and VTS) by 2025

To provide a customer centric service to all citizens of Gauteng, the Department has executed the following projects:

Revenue Management

The Departmental revenue is generated through tax receipts which comprises of motor vehicle registration and licencing fees. Motor Vehicle License Tax revenues have grown from R 3, 217 billion in financial year 2015/2016 to R 4, 357 billion in financial year 2020/2021. A total of R 4, 357 billion has been collected during the period under review representing a growth of R 226 million from financial years 2019/20 to 2020/21.

Below is the trend analysis for revenue growth.

Description	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	6 Year Total
Tax Revenue	R 3, 217, 032	R 3,404,668	R 3,707,040	R 3,961,563	R 4,131,776	R 4,357,936	R22,780,015
Growth in Rand	-	R 187,636	R 302,372	R 254,523	R 170,213	R 226,160	R1,140,904
% Growth	-	6%	9%	7%	4%	5%	35%

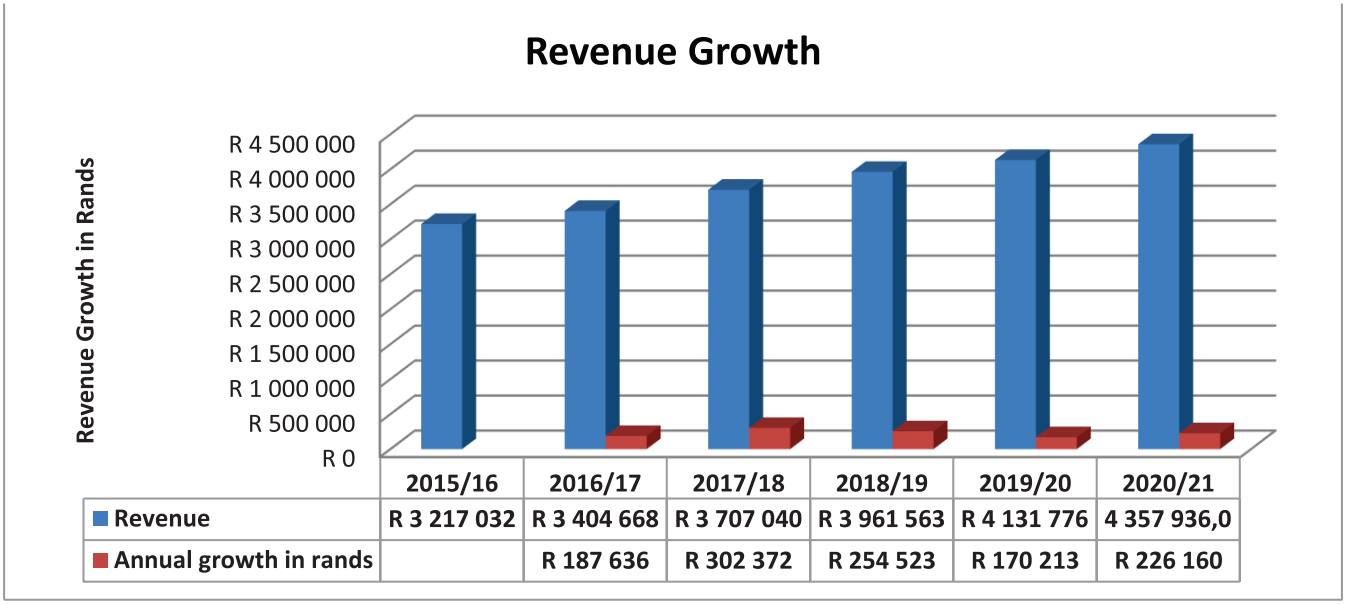


Table 2.4.4.1:

The Table 2.4.4.1. below reflects ONLY the Planned Targets and Actual achievements from the Originally Tabled Annual Performance Plan (APP) 2020/21 up until the date of re-tabling of the Revised APP 2020/21 in Quarter 2.

Outcomes, Outputs, Performance Indicators and Targets

Programme / Sub-Programme: Transport Regulation									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/19**	**Audited Actual Performance 2019/20**	**Planned Annual Target 2020/21**	**Actual Achievement 2020/21 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020/21**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
SUB-PROGRAMME: TRANSPORT ADMINISTRATION AND LICENCING									
Service times reduced at the Integrated Transport Customer Service Centres (DLTCs, MVRAs and VTS) by 2025.	Revenue generated annually from DLTCs services.	Rand value of revenue generated.	-	R4, 2 billion	R4,4 billion	R330,509 million	R4,1 69, 491	Less revenue collected due to the closure of DLTCs during the Level 5 National Lockdown.	During the hard lockdown, alert level 5, all revenue collecting institutions were completely closed and due to the uncertain nature of the pandemic and the effect it had on the economy, the Department had to revise the targets.
	DLTCs upgraded for improved service delivery.	Number of DLTCs upgraded for improved service delivery.	-	-	1st center upgraded.	0	1st center upgraded	No target was planned for the period under review (Quarter 1, 2020/21).	Projects were affected by the COVID-19 pandemic and projects not awarded.

Programme / Sub-Programme: Transport Regulation									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/19**	**Audited Actual Performance 2019/20**	**Planned Annual Target 2020/21**	**Actual Achievement 2020/21 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020/21**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
SUB-PROGRAMME: TRANSPORT ADMINISTRATION AND LICENCING									
	Reduce service times at Gauteng Provincial DLTC's (Driver Licence Testing Centres) by 2025	Implementation of queue management system and roll out of signage.	-	-	1hr 30 mins	0	1hr 30 mins	No target was planned for the period under review (Quarter 1, 2020/21).	The Output and Indicator were revised to improve its usefulness.
	Online Motor Vehicle License Renewal System utilised by customers.	Functional online renewal system with online payment.	-	-	Functional online renewal system with online payment.	0	Functional online renewal system with online payment.	The Department was dependent on RTMC rolling out the project. RTMC is developing the rollout plan of the project.	The project was revised due to dependency from RTMC. The project will be implemented upon RTMC roll out of the online functional system.
		Percentage of clients transacting using Online Motor Vehicle Renewal Platform.	-	-	5 % of clients transacting on the Online Motor Vehicle Renewal Platform.	0	5 % of clients transacting on the Online Motor Vehicle Renewal Platform.	The Department was dependent on RTMC rolling out the project. RTMC is developing the rollout plan of the project.	The project was revised due to dependency from RTMC. The project will be implemented upon RTMC roll out of the online functional system.

Although the deviation from planned target to actual target is calculated based on the Annual target in accordance with the Annual Report Guide for National and Provincial Departments issued by the National Treasury on the 31 March 2021, it should be noted that the actual achievements for indicators/targets in the below table do not reflect performance for the entire 2020/21 financial year, but only for Quarter 1 (April to June 2020) of financial year 2020/21.

Table 2.4.4.2:

The table provides for the planned and actual achievements against the re-tabled Revised Annual Performance Plan (APP) 2020/21.

Outputs, Performance Indicators and Targets

Outcome	Output	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
SUB-PROGRAMME: TRANSPORT ADMINISTRATION AND LICENCING								
Improved service times at the Integrated Transport Customer Service Centres (DLTCs, MVRAs and VTS) by 2025.	Revenue generated annually from DLTCs services.	Rand value of revenue generated.	-	R4.2 billion	R3 billion.	R4, 357 billion.	+R1, 357 billion.	Overcollection was due the following: • Agents surrendering revenue timeously to the Department. • Opening of the centres once lockdown alert levels were lowered.
	10% reduced turnaround time at Provincial DLTCs.	Average turnaround times at Provincial DLTC's.	-	-	1hr 30 mins.	0	1hr 30 mins	Queue Management System was installed at Temba, Mabopane, Kliptown and Kagiso DLTCs and indicates improvement in turnaround times at these DLTC's.

Outcome	Output	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
SUB-PROGRAMME: TRANSPORT ADMINISTRATION AND LICENCING								
								Queue Management Systems has not been installed at Xavier and Maponya DLTCs. This is due to: • Refurbishments which are to be undertaken at Xavier. • Maponya DLTC to be removed from common DPSA platform and established on DRT's system. Due to continued down times of e-Natis and unreliability of Live Capturing Units (LCUs) the turnaround times are also impacted upon at DLCTs.
	Online Motor Vehicle License Renewal System utilised by customers.	Functional online renewal system with online payment-	-	Mapping of the system by the RTMC.	-	-	-	-
		Percentage of clients transacting using Online	-	-	-	-	-	-
		Motor Vehicle Renewal Platform.						

Strategy To Overcome Areas of Underperformance

Indicator	Proposed Intervention
Average turnaround times at Provincial DLTC's.	Constant engagements with RTMC are undertaken to improve the e-Natis system and the installation of reliable and operational LCUs. Further, QMS will be installed at Xavier and Maponya DLTC in the financial year 2021/22 to improve turnaround times.

To regulate public transport through registration and issuance of operating licences, the Department has executed the following projects:

SUB-PROGRAMME: OPERATOR LICENCE AND PERMITS

Issuance of Operator Licence and Permits to Public Transport Operators

To regulate the public transport in the Province, a total of four thousand one hundred and twenty-one **(4, 121)** Operating Licenses were issued within nine (9) months.

Taxi Commission – (Commission of Inquiry into Taxi Violence in the Gauteng Province)

Gauteng has one of the highest taxi-related murders thus, this prompted the Gauteng Provincial Government to institute the Commission into Taxi Violence Inquiry. The Premier of Gauteng established the Commission in terms of Proclamation 101 of 2019 issued on 13 September 2019 and was to conclude its mandate within six (6) months.

The Commission 's brief was to investigate the underlying causes of Taxi Violence and make findings and recommendations.

On the 10th of February 2021, The MEC for Roads and Transport, presented and handed the Final Report of the Commission of Inquiry to the Minibus Taxi Industry, South African National Taxi Council Gauteng (SANTACO) and Gauteng National Taxi Alliance (GNTA) at the Emoyeni Conference Centre. The Department had both an internal workshop and an Intergovernmental process which included stakeholders such as the Municipalities and the Department of Transport (National). The purpose of the workshops was to review, prepare the responses and identify relevant issues as extrapolated from the Commission's recommendations with a view to provide a consolidated plan of action towards the implementation of the recommendations of the report.

It is noted that some of the recommendations of the Taxi Violence Commission resonates with some resolutions of the National Taxi Lekgotla, e.g. and Moratorium, System inefficiencies, Planning Authorities inefficiencies, Gauteng Provincial Regulatory Entity (GPRE) functions as a Provincial Regulator and its inundation with interprovincial Public Transport (PT) regulations, recognition of associations and illegal operations.

The Department will consult and communicate the plan of action to the Taxi Industry and all other role players with the intention to build partnerships for implementation. The Department will ensure that the recommendations are aligned to the National Taxi Lekgotla, the National Land Transport Act (NLTA) legislative amendments and the long-term public Transport Policy and strategies of the Gauteng Province and National Government. The Department is preparing the Action Plan on how the recommendations can be implemented.

Table 2.4.4.1:

The Table 2.4.4.1. below reflects ONLY the Planned Targets and Actual achievements from the Originally Tabled Annual Performance Plan (APP) 2020/21 up until the date of re-tabling of the Revised APP 2020/21 in Quarter 2.

Outcomes, Outputs, Performance Indicators and Targets

Programme / Sub-Programme: Transport Regulation									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018/19**	**Audited Actual Performance 2019/20**	**Planned Annual Target 2020/21**	**Actual Achievement 2020/21 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020/21**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
SUB-PROGRAMME: OPERATOR LICENSE AND PERMITS									
Reduce service times at Gauteng Provincial TOLABs by 2025.	Issuance of Operating licences within 6 months.	Average Turnaround times at Transport Operating Licence Administrative Bodies (TOLABs) for operating licences.	-	-	6 months Existing NLTIS.	0	6	No target was planned for the period under review (Quarter 1, 2020/21).	The Outcome and the Indicator were revised to align to the New Outcome- Improved service times at the Integrated Transport Customer Service Centres (DLTCs, MVRAs and VTS) by 2025.

Although the deviation from planned target to actual target is calculated based on the Annual target in accordance with the Annual Report Guide for National and Provincial Departments issued by the National Treasury on the 31 March 2021, it should be noted that the actual achievements for indicators/targets in the below table do not reflect performance for the entire 2020/21 financial year, but only for Quarter 1 (April to June 2020) of financial year 2020/21.

Table 2.4.4.2:

The table provides for the planned and actual achievements against the re-tabled Revised Annual Performance Plan (APP) 2020/21.

Outputs, Performance Indicators and Targets

Outcome	Output	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from planned target to Actual Achievement 2020/21	Reasons for deviations
SUB-PROGRAMME: OPERATOR LICENCE AND PERMITS								
Improved service times at the Integrated Transport Customer Service Centres (DLTCs, MVRAs and VTS) by 2025.	Issuance of Operating licences within 9 months.	Average Turnaround times at Transport Operating Licence Administrative Bodies (TOLABs) for operating licences.	-	-	9 months Existing NLTIS.	4, 121 operating licences issued within 9 months Existing NLTIS.	-	-
Ensure mini bus taxis are operating per routes	Mini Bus Taxi's routes electronically monitored	% of electronic monitored Mini Bus Taxi routes	-	-	-	-	-	-

Strategy To Overcome Areas of Underperformance

Indicator	Proposed Intervention
-	-

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

Transport transversal standardised outputs and output indicators have not been incorporated in the Departmental Revised Annual Performance Plan and therefore not implemented and reported on in the Annual Report.

Reporting on the Institutional Response to the COVID-19 Pandemic

Interventions provided for under Programme One.

Linking performance with budgets

Programme expenditure

Transport Regulation	2020/21			2019/20		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000					
Transport Administration and Licencing	18,1 636	142, 103	39, 533	186, 087	162, 749	23, 338
Operator Licence and Permits	143, 097	109, 663	33, 434	146, 855	126, 576	20, 279
Total	**324, 733**	**251, 766**	**72, 967**	**332, 942**	**289, 325**	**43, 617**

The functions within this Programme are licencing and registration administrative functions, and the collection of motor vehicle licence revenue through the DLTCs. The expenditure decreased from R300 million in the financial year 2017/18 to R289 million in the financial year 2019/20 due to the halt of TOLABs and DLTCs infrastructure projects in financial year 2019/20 to allow the Department to complete

the Master Plan for Transport Services Centres which will guide where these centres must be situated and what form they should take for effective service delivery. In financial year 2020/21, the budget increased to R398 million, but was adjusted downwards to R325 million due to the reprioritisation of the budget for the fight against the COVID-19 pandemic.

5 TRANSFER PAYMENTS

5.1. Transfer payments to public entities

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
Gautrain Management Agency	The management coordination and oversight of the Gautrain project.	R2, 680, 758	R2, 680, 758	Refer to GMA Annual Report

5.2. Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made for the period 1 April 2020 to 31 March 2021

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
None						

The table below reflects the transfer payments which were budgeted for in the period 1 April 2020 to 31 March 2021, however no transfer payments were made.

Name of transferee	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
None				

6 CONDITIONAL GRANTS

6.1. Conditional grants and earmarked funds paid.

The table below describes each of the conditional grants and earmarked funds received for the period 1 April 2020 to 31 March 2021.

Public Transport Operations Grant

Department who transferred the grant	Gauteng Department of Roads and Transport (GDRT)
Purpose of the grant	To provide supplementary funding towards public transport services provided by Provincial Department of Transport.
Expected outputs of the grant	Number of vehicles subsidized. Number of trips scheduled. Number of trips operated. Number of passengers Number of kilometers. Number of employees. Number of routes subsidized.
Actual outputs achieved	Number of vehicles subsidised – 2, 346. Number of trips scheduled – 1, 845, 480. Number of trips operated – 905, 780. Number of passengers – 29, 438, 679. Number of kilometres – 52, 452, 153,5. Number of routes subsidised – 3, 308. Number of employees – 5, 555.
Amount per amended DORA (R'000)	R2, 599, 291 R129, 964 - 5% out of PTOG for COVID-19.
Amount received (R'000)	R2, 599, 291
Reasons if amount as per DORA was not received	None

Public Transport Operations Grant

Amount spent by the Department/ municipality (R'000)	R1, 885, 027
Reasons for the funds unspent by the entity	Funds spent as per the claims received by the Department.
Reasons for deviations on performance	COVID-19 restrictions Services not operated due to breakdown of buses and operators not having enough buses for operations
Measures taken to improve performance	Department in a process of going out on tender.
Monitoring mechanism by the transferring Department	Monthly reports, bus subcommittee meetings and Annual Evaluation Report.

6.2. Conditional grants and earmarked funds received.

The table below describes each of the conditional grants and earmarked funds received for the period 1 April 2020 to 31 March 2021.

Provincial Roads Maintenance Grant

Department who transferred the grant	Gauteng Department of Roads and Transport (GDRT).
Purpose of the grant	Routine, Preventative, and Periodic Maintenance of Roads Infrastructure.
Expected outputs of the grant	Maintenance of Provincial Roads Infrastructure and achievement of planned targets
Actual outputs achieved	Number of m² roads resealed = 336, 520.93 and Number of m² rehabilitated = 134, 563m²
Amount per amended DORA (R'000)	R667, 663
Amount received (R'000)	R667, 663
Reasons if amount as per DORA was not received	None
Amount spent by the Department/ municipality (R'000)	R667, 429, 091.98

Reasons for the funds unspent by the entity	None
Reasons for deviations on performance	None
Measures taken to improve performance	None
Monitoring mechanism by the transferring Department	Site inspection and monthly reports

Expanded Public Works Programme Infrastructure Grant (EPWP)

Department who transferred the grant	Gauteng Department of Roads and Transport (GDRT).
Purpose of the grant	Job creation
Expected outputs of the grant	3, 200
Actual outputs achieved	3, 825
Amount per amended DORA (R'000)	R9, 970
Amount received (R'000)	R9, 970
Reasons if amount as per DORA was not received	None
Amount spent by the Department/ municipality (R'000)	R9, 970
Reasons for the funds unspent by the entity	None
Reasons for deviations on performance	None
Measures taken to improve performance	Further engagement of stakeholders relating People with Disabilities
Monitoring mechanism by the transferring Department	Monthly reporting and verification of job created through Excel

7. DONOR FUNDS

7.1. Donor Funds Received

No Donor funds received for the financial year 2020/21.

8. CAPITAL INVESTMENT

8.1 Capital investment, maintenance, and asset management plan

- **Progress made on implementing the capital, investment, and asset management plan.**
  - The Department has an asset road network of 5, 638 roads per km comprising of 4, 200km of paved roads and 1, 438 km unpaved roads with 676 bridges and 428 culverts.

- **Infrastructure projects which have been completed in the current year and the progress in comparison to what was planned at the beginning of the year. Provide reasons for material variances (2% variance)**
  - Rehabilitation of P175/1 from Vanderbijlpark to Potchefstroom

- **Infrastructure projects that are currently in progress (list projects) and when are they expected to be completed.**
  - Rehabilitation of Roads P241/1 (R554) from 15.7km to 19.75km and road D405 (R554) from 0.00 km to 8.75 km (R82), and
  - P156/3 (R42) from P155/1 to D2563 Vanderbijlpark.

Ongoing surfaced roads upgraded to be completed in financial year 2020/21:

- None

Ongoing surfaced roads upgraded to be completed in financial year 2021/22:

- K54: Mamelodi (Tsamaya Road) to R104 Pretoria Bronkhorstspruit Road, and
- K69: (Upgrading and doubling of Hans Strijdom (Solomon Mahlangu) from the N4 to Mamelodi to K54).

Ongoing surfaced roads upgraded to be completed in financial year 2022/23:

- K31: access to Green Gate Development: Reconstruction and upgrade of the M5 Beyers Naude Road,
- Upgrading of Road K148: Intersection with N3,
- Upgrading of K73: between Woodmead Drive and Allandale Road (D58) Mushroom farm, and
- Vaal River City Interchange.

Road Rehabilitation

Ongoing roads rehabilitated to be completed in financial year 2020/21:

- P175/1: Rehabilitation from Vanderbijlpark to Potchefstroom

Ongoing roads rehabilitated to be completed in financial year 2021/22:

- Rehabilitation of Roads P241/1 (R554) from 15.7km to 19.75km and road D405 (R554) from 0.00 km to 8.75 km (R82)
- P156/3 (R42) from P155/1 to D2563 Vanderbijlpark
- P39/1

- **Plans to close-down-grade any current facilities.**
  - None
- **Progress made on the maintenance of infrastructure.**
  - The roads maintenance focusses on the following on-going Sub Programmes:
    - Preventative roads maintenance,
    - Re-active roads maintenance,

- **Developments relating to the above that are expected to impact on the department's current expenditure.**
  - None

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

As at 31 March 2021, the Department's entire asset base totalled R42, 069 billion. The asset base in the main comprises of roads, bridges, land for future road construction and various categories of movable assets totalling R527, 474 million.

During the current financial year, the Department invested approximately R432, 326 million on improving and rehabilitating key segments of the provincial road network. A total number 11 of obsolete and redundant movable assets were disposed of through approved donations to non-profit organisations. All assets that are reported lost or stolen are reported in the Department's loss register and subsequently referred to the Department's anti-fraud and corruption unit for further investigation.

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

  The Department conducts annual physical asset verification on all its movable assets. A total number of 30, 064 movable assets were verified which includes vehicles, computer equipment and machinery and furniture. The Department continues to play a pivotal role in coordinating the maintenance and updating of the Department's immovable asset register. In addition, as part of the regular maintenance and updating of the road asset management system, the Department through the assistance of the Council of Scientific Research (CSIR) conducts visual, conditional and safety assessments for provincial road network. The results thereof form the basis for future road infrastructure upgrades, rehabilitations and maintenance and the continued maintenance of the Department's immovable asset register.

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

  - The Gauteng surfaced and gravel roads visual assessment report was not completed as per the applicable TMH manual due to the tender that was cancelled due to non-responsiveness of bidders to tender criteria.

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

  - Repairing of Snake road sinkhole (R23) P6/2 as well as the repair of sinkhole for P122/1 (M57) Old Pretoria / Kempton Park road

- **Progress made in addressing the maintenance backlog during the period under review:**

Infrastructure projects	2020/2021			2019/2020		
	Final Appropriation R'000	Actual Expenditure R'000	(Over) / Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over) / Under Expenditure R'000
New and replacement assets	8,523	738	7,785	11,050	12,435	(1,385)
Existing infrastructure assets	1,759,032	1,435,621	323,411	1,876,151	1,708,674	167,477
- Upgrades and additions	394,736	300,551	94,185	388,757	314,233	74,524
- Rehabilitation, renovations and refurbishments	283,055	216,269	66,786	222,793	217,578	5,215
- Maintenance and repairs	1,081,241	918,801	162,440	1,264,601	1,176,863	87,738
Non-Infrastructure projects	-	-	-	-	-	-
- Current	34,574	28,487	6,087	-	121,716	(121,716)
- Capital	-	-	-	-	-	-
Total	**1,802,129**	**1,464,846**	**337,283**	**1,887,201**	**1,842,825**	**44,376**

PART C:
GOVERNANCE



1. INTRODUCTION

Governance forms an integral part in the Departments' management of public finances and resources and ensures the highest standards are implanted and adhered to. Good governance structures have been implemented to effectively, efficiently and economically utilize the state resources. This section provides the narrative on the Department's Governance structures and the activties achieved for the financial year under review.

2. RISK MANAGEMENT

- The Department has a risk management policy and strategy.
- The Department conducts regular risk assessments to determine the effectiveness of its risk management strategy and to identify new/emerging risks.
- The Department has a Risk Management Committee that is chaired by an independent person and advises management on the overall system of risk management, especially the mitigation of unacceptable levels of risk.
- The Audit Committee is the advisory body for the Department on risk management and independently monitors the effectiveness of the system of risk management.
- Despite slow progress in management of risks, the Department has made a commitment to manage risks on a continuous basis. Also, the performance contract of senior management has incorporated risk management for accountability purpose.

3. FRAUD AND CORRUPTION

- The Department has a risk anti-fraud and corruption policy and strategy.
- The Department conducts regular fraud risk assessments to determine the effectiveness of its risk management strategy and to identify new/emerging risks with the exception off the current financial year where the process was delayed and overlapped to the new financial year.
- The Department has a Risk Management Committee that is chaired by an independent person and advises management on the overall system of risk management of which fraud and corruption related issues are discussed.
- The Audit Committee is the advisory body for the Department on anti-fraud and corruption related issues and independently monitors the effectiveness of the system thereto management.
- The Department has an approved whistleblowing policy which is communicated ongoing thru ethics and anti-fraud and corruption awareness sessions and induction workshops.
- Allegations are reported using various mechanism i.e by respective management, hotline, internal audit, fraud detection reviews.

4. MINIMISING CONFLICT OF INTEREST

Accountability is fundamental to the organisational integrity. All employees are expected to responsibility for their actions. Disciplinary matters are resolved by a prescribed disciplinary code and procedure prescription. Labour relations support the introduction and implementation of disciplinary action for bridge of code of conduct. Application for disciplinary measure is an integral component of effective fraud and corruption deterrent strategy within the Department.

Our Department is doing its best to minimize conflict of interest by:

Conducting awareness sessions on Public Service Regulations, 2016 under regulation 13b and it is supported by the Code of conduct for Public service that has a pledge at the back. The Department has also reviewed its policy on conflict of interest. It is also working with various stakeholders such as DPSA, GAS and AG to identify conflict and potential conflict from officials. The e-disclosure that is filed by SMS, MMS and officials from Finance branch also helps to identify those who might have conflict of interests. To further maximise it Ethics management is working with communications to develop posters and some intranet posts are issued to educate and sensitise officials on conflict of interests. Induction programmes are held in partnership with HR development with the newly appointed officials and an online course is available that covers issues on ethics management.

5. CODE OF CONDUCT

The Public Service Commission (PSC) developed code of conduct for the public servants to promote the high standard of professional ethics. The ethical principles contained in the Code are applicable to DRT employees. The Department implemented the code and managers ensure that all employed within the Department adheres to it.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The following SHERQ issues/challenges were identified:

a. COVID-19 had an impact on the capacity of the Department to effectively deliver on its mandate. Introduction of restrictions led to the adoption of work from home, rotational work and/or hybrid models to reduce occupancy rate in offices, which resulted in decreased productivity and negative impact on service delivery
b. Productivity was constantly disrupted by unplanned closure of many workstations for the purpose of decontamination of the virus when a covid-19 case is reported.
c. Employees with comorbidities/vulnerabilities needed to be provided with tools of trade (such as data, computers and cell phones) to work from home, which put a strain on the budget and available resources. Most of these employees were unable to work from home due to nature of work and/or lack of tools of trade.
d. The Department had to adhere to the regulations and restrictions by realigning its policies, reconfiguring physical environment, and increasing its capacity to mitigate the impact of COVID-19.
e. Lack of sufficient information on COVID-19 created high level of anxiety and reluctance amongst employees to return to work as lockdown restrictions were being eased. OHS induction sessions were organised for employees upon returning to work to reduce anxiety
f. Lack of capacity within Human Resources Management resulted in inability to effectively implement other measures such as conducting risk assessment per building and regular compliance inspections.
g. The Department made some statutory appointments including the establishment of COVID-19 Steering committee, OHS committee and compliance team. A total number of forty youth cadets were appointed to assist with covid-19 screening and compliance in general.

7. PORTFOLIO COMMITTEES

Date	Subject	Matters Raised	Department's Response
22/05/2020	Invitation to the Roads and Transport Portfolio Committee Meeting to present on COVID-19 measures.	Progress Report in the Implementation of Public Transport COVID-19 Measures	The Department tabled a detailed presentation before the Committee covering the following elements: • COVID-19 Latest Update
			• COVID-19 hotspots • COVID-19 identified hotspots in proximity to taxi ranks. • Achievements so far for level 5 • Public transport plan level 4 • Public transport plan level 4 (further Interventions) • Cadet assistance and responsibilities
05/06/2020	Engagement on Responses to Committee Questions on the 3rd Quarter Report for 2019/20 FY	The Department should provide a detailed report on the under expenditure that was recorded at the end of fourth quarter.	A detailed report in this regard was submitted to the Committee.
		The Department should provide detail report on the poor performance recorded on the automation of the identified business processes and records management, particularly on the Queue Management System (QMS).	A detailed report in this regard was submitted to the Committee.
		The Department should provide a detailed report on the delays in the appointment of probity auditors in the 11 transport infrastructure designs.	The overall rollout of the 'Open Tender' process has posed challenges for the Department in terms of the inefficiencies and delays in appointing probity auditors and receiving finalised probity audit reports. As of 01 April 2020, the function of probity and overseeing the work of the probity auditor has been decentralised to the Department. The conditions attached to such decentralisation are as follows: • The Department must appoint the probity auditor from the panel of auditors appointed by Gauteng Provincial Treasury. Such extended panel expires on 30 June 2020. The Department has not received communication on the appointment of a new panel post 30 June 2020.

Date	Subject	Matters Raised	Department's Response
			• The Department must budget and pay for the required service. At present, no additional funding has been provided to the Department. The table detailing the reasons for the delays in the 7 design tenders which would have translated into the 11 designs was also submitted to the Committee.
		The Department should also list the surfaced and gravelled roads that should have been visually assessed.	The visual assessments will be done on the whole provincial network of 4, 450km paved roads and 1, 266km gravel roads (lengths in carriageway-km). The pavement surveillance measurement contract provides for profile measurement of all the paved provincial roads (4, 450km) and deflection measurements on RCAM Classes 1, 2, 3 of the paved provincial networks (3, 650km).
		The Department should also indicate whether these projects will be re-advertised and completed in the 2020/21 financial year.	The request for tenders for the following two contracts was advertised on 7 February 2020: • DRT23/07/2019 for the Visual Assessment of Roads, Bridges and Major Culverts of the Gauteng Provincial Road Network • DRT24/07/2019 for Pavement Surveillance Measurements of the Gauteng Provincial Road Network Compulsory briefing sessions for both tenders took place on 17 February 2020 and the closing date for the submission of tenders was 10 March 2020. Due to the National State of Disaster and the Lockdown, the BECs could not meet to evaluate these tenders. Tenderers will be requested to extend the validity of their tenders and the tenders will be evaluated as soon as the BECs can meet. The project could still be completed by March 2021.

Date	Subject	Matters Raised	Department's Response
			soon as the BECs can meet. The project could still be completed by March 2021.
		The Department should provide a detailed report on the poor performance of construction job creation in relation to the delays in the appointment of probity auditors, tender advertisement cancellation in K46 and K31; and late approvals of tender advertisement in K101, K174, K148 and K82 and K73	A detailed report in this regard was submitted to the Committee.
		The Department should provide a detailed report on the surfaced roads resealed, blacktop patching and roads bladed in Sedibeng as the Committee is concerned about dilapidation of roads in the area.	A detailed report in this regard was submitted to the Committee.
		The Department should provide a detail report on the progress on the finalization and awarding of 11 bus contractors.	A detailed report in this regard was submitted to the Committee.
		The Department should provide a progress report on the appointment of new contractor to complete Sebokeng DLTC/TOLAB.	The tender for completion of works at Sebokeng DLTC was advertised in March 2020 and was supposed to have closed on the 8th of April 2020; however, due to COVID-19 the closing date was extended to 3rd July 2020.
		The Department should also provide a detailed report on the service delivery targets of the Transport Regulation programme in relation to budget expenditure in the fourth quarter.	A detailed report in this regard was submitted to the Committee.
05/06/2020	Portfolio Committee Questions Emanating from	The Department should be requested to unpack the	A detailed report in this regard was submitted to the Committee.

Date	Subject	Matters Raised	Department's Response
	the Budget Vote of the Department of Roads and Transport for the 2019/20 Financial Year	allocated budget for Provinces and Municipalities and Households.	
		The Department should explain more than 100% increase of Payments for Capital assets in the buildings and other fixed structures.	A detailed report in this regard was submitted to the Committee.
		The Department should explain the significant increase of more than 200% in the Office of the HOD.	The Management Sub-Programme includes the Office of the HOD, Risk Management and Fraud and Anti-Corruption units. The budget allocated to the sub-programme is split between the 3 units in line with the resource requirements of each. However, the Department is unsure as to the noted 200% increase as the table provided clearly indicates and overall reduction of 47% when compared to the 2019/2020 final appropriation. The table indicates the 2019/20 final appropriation and the 2020/21 original budget which shows that the allocation reduced by 47%, from R35.532 million to R18.919 million.
		The Department should also provide progress report on the appointment of the HOD and any other senior management services as well as key technical positions in the Department in relation to the Compensation of employees' budget.	A detailed report in this regard was submitted to the Committee.
		The Department should provide plans in place to strengthen financial performance in the Administration programme considering that this programme has been under expending the allocated	A detailed report in this regard was submitted to the Committee.

Date	Subject	Matters Raised	Department's Response
		budget in the previous financial years.	
		The Department should explain the plan in relation with non-compliance with the several calls made by the Committee with regard to the under-expenditure pattern in the previous financial years	The Department has conducted an analysis on the compensation of employees' budget, and this contemplate projected underspending in the current financial year 2020/2021. The projected underspending is due to the reviewing and realignment of the organisational structure. In lieu of the above, the department's request approved by the Gauteng Provincial Treasury to redirect the anticipated underspending on the compensation of employees' budget (approximately 60%) to the goods and services budget. This amount will be used specifically to the Occupational Health and Safety programmes associated with the fight against COVID-19 is subject to Provincial Treasury approval. The Department will continue to monitor and fast track processes associated with the filling of key vacant positions which may or may not necessitate the need for a further request for approval to redirect funds earmarked for COE. This need will be communicated as part of the 2020/2021 budget adjustment process.
		The Department should also provide the progress and budget of establishing and operationalising the Gauteng Transport Authority, particularly on appointing the Board and staff.	The Transport Authority for Gauteng (TAG) has been awarded a budget of R50.0 million for the 2020/21 financial year. Within this allocation is an amount of R20.0 million that the MEC will utilise for his special Taxi-projects.

Date	Subject	Matters Raised	Department's Response
			The initial amount requested by the TAG for the 2020/21 financial year as R104.0 million. The Interim CEO, Mr. Jack van der Merwe, was informed by Treasury that the allocation of additional funds will be considered during the 2020/21 Appropriation process in November 2020. The Executive Council has approved the appointment of an Interim CEO, Mr. Jack van der Merwe, for the TAG, for a two-year period (February 2020 to January 2022). The shortfall in budget will hinder the appointment of the required skilled staff to the TAG. The MEC, Mr. Jacob Mamabolo, MPL, has appointed the Gautrain Management Agency Board to oversee the functioning of the TAG during the first six months of the 2020/21 financial year.
		The Department should therefore provide details on the planned infrastructure projects in line with Integrated Transport Master Plan 25 and GGT 2030.	A detailed report in this regard was submitted to the Committee.
		The Department should provide a list and scope of 6 designs to be completed in the current financial year. The Department should provide details of the on-going land proclamation.	Scope of designs for the current financial year: • Designs for repairs and maintenance of bridges (Vereeniging Region) • K122: Design for New Road South of Naturena from K45 (Golden Highway) to Nancefield P1-1 (K57 Vereeniging road) and R59 Pedestrian Bridge • K217 from K8 (R566) to K4 (Ruth first Road) Phase1 (land proclamation)

Date	Subject	Matters Raised	Department's Response
			• K60 Section 1 between Rivonia Road K73 [M9] and Main Road [Lonehill] P71-1 [M71]. • K97 (P1-3) Phase 2 Upgrading of road P1-3 to K route (K97) from N4 (Bon Accord) to old road (P1-3) • K56 Upgrade between K46 (William Nicol Drive) and P79/1 (Main RD) as well as the extension of Erling road and land proclamation • K113 (Linksfield)– signing of agreement (land proclamation)
		The Department should provide a list of construction projects that are continuing from the previous financial year and projects that will commence in the current financial year and their specific budgets	A detailed report in this regard was submitted to the Committee.
		The Department should also provide the plan in place to rehabilitate and upgrade major arterial roads in Sedibeng.	A detailed report in this regard was submitted to the Committee.
		The Department should also provide plans to rehabilitate and upgrade major arterial roads in the West Rand.	A detailed report in this regard was submitted to the Committee.
		The Department should explain the significant increase of budget in the Programme support operations sub programme.	The significant increase is meant to the Taxi Industry support with Road Safety and Occupational Health and safety campaign especially in this COVID-19 predicament. This will also be used to entrench the deployment of Norms and standards as they relate to health and safety including enhanced levels of service in public transport.
		The Department should explain the increase in the number of KMs subsidised and number of trips subsidised as well as the	A detailed report in this regard was submitted to the Committee.

Date	Subject	Matters Raised	Department's Response
		decrease in the number of routes subsidised, in relation to the progress in the appointment of the new bus contractors and allocated budget, thereof.	
		The Department should provide the budget for this project in the current financial year in relation to what has been used and/or wasted so far in the previous financial years.	A detailed report in this regard was submitted to the Committee.
		The Department should provide regular progress report on the continuation of DLTC and TOLAB in Sebokeng. This should be accompanied by the budget allocation for these projects in relation to what has been used and/or wasted in the previous financial years.	A detailed report in this regard was submitted to the Committee.
23/06/2020	House Resolutions: Adopted Committee Oversight Report on Budget Vote 9: Gauteng Department of Roads and Transport of the Appropriation Bill	The Department should provide a detailed report on the appointment of the Accounting Officer of the Department.	The recruitment of the Accounting Officer of the Department was concluded and finalised. Mr Makhukhu Mampuru has been appointed as the Head of Department for GDRT with effect from 01 August 2020.
		The Department should provide detail report on the CSIR report on the reduced subsidised bus services and the impact on the proposed new contracts to be advertised on open tender.	Comprehensive Route Survey study to introduce new bus contracts had been conducted. Designs of new bus contracts are completed. CSIR is finalising and consolidating the business plan on new contracts. **Services to be provided in terms of what government can afford:** ❑ The study shows that new bus contracts are likely to cost between R30 /km and R52/km. Either the serviced network has to be halved or the budget be doubled.

Date	Subject	Matters Raised	Department's Response
			❑ Reducing the service network will impact current service provisions and inability to extend to impending demands. ❑ Service reduction may result in community riots. **New contracts will improve service quality:** ❑ Improving service quality will result in 20% increase in patronage requires much more resources (i.e., fleet increase and additional labour). ❑ Capital subsidy to the industry would cost R3 billion per annum (or up to R10/passenger trip). This would reduce entry barriers of potential SMMEs.
		The Department should provide a detailed report on the process of procuring pre-owned EMU's in UK and Turnkey Contract for the refurbishment of these EMU's	GMA provided the Committee with a detailed report in this regard.
23/06/2020	House Resolutions: Adopted Oversight Committee on Roads and Transport Oversight Report on the 4th Quarterly Report of the DRT, GMA and g-Fleet for the 2019/20 FY	Provide a detailed report on measures in place to curb the continuous under spending of the Administration Programme allocated budget within the tolerable underspending of 3% in the next financial year.	A detailed report in this regard was submitted to the Committee.
		Provide a detailed report on the 9 road designs and infrastructure projects that experienced delays and challenges in the quarter under review within the Transport Infrastructure Programme.	A detailed report in this regard was submitted to the Committee.
		Provide a detailed report on the measures in place to improve the performance of	The Department's decline in the performance of Transport Infrastructure was due to the current

Date	Subject	Matters Raised	Department's Response
		the Transport Infrastructure Programme.	procurement system which is lengthy and extremely onerous and requires the appropriate levels of skills and competence to ensure successful implementation. Most projects were at tendering stage and Gauteng Provincial Treasury could not allocate budget since the projects were not ready for implementation. However, the Department anticipates implementing the projects in the next financial year.
		Provide a detailed report on the engagements with Municipalities and National Department of Transport on the appointment of new subsidised bus contract.	The Department of Roads and Transport established a task team comprising of all municipalities in the Province to plan for the introduction of new subsidised bus contracts. The Department signed a section 12.1 Agreement with the City of Tshwane, Joburg, Ekurhuleni and Sedibeng District Municipality to be able to conclude new bus contracts on their behalf. According to the NLTA municipalities are the ones that qualify to conclude new subsidised bus contracts since they are the Contracting Authority and can only delegate the function to the Province through Section 12.1 Agreement of the NLTA if they are not ready. The National Department of Transport is also on board and provide guidance to the whole process. With the new Bus Contracts the Department is in the process of crafting a project plan which will be done as per section 12.1 Intergovernmental Authorisation Agreement, this plan will be shared with Legislature by end of October 2019. The Department is currently working with the CSIR as a facilitator

Date	Subject	Matters Raised	Department's Response
			to engage Municipalities, to redesign Service designs (route surveys) for all operational areas in the Province and to develop a plan to initiate, process and conclude new contracts within the available budget and this could mean that some routes may be recommended for other services which are not buses.
07/08/2020	Invitation to the Roads and Transport Portfolio Committee Meeting	2020/2021 Revised Annual Performance Plan	A detailed presentation was tabled before the Portfolio Committee.
19/08/2020	Portfolio Committee Meeting - Committee Questions on the Revised Annual Performance Plans and Associated Budget Adjustments for 2020/21 FY	The Department should explain the additional funds amounting to R4 500 000 that is allocated for Administration Programme.	A detailed report in this regard was presented to the Committee.
		The Department should provide reason for the decreased percentage procurement expenditure awarded to youth in this financial year.	The COVID-19 pandemic has impacted negatively on the country's economy. During the 1st quarter, the Department undertook little to no normal procurement. All procurement had been focused towards COVID-19 with payments for goods and services aligned to existing contracts. This in turn impacted negatively on the Department's overall procurement statistics.
		The Department should provide a detail report on the internal reprioritisation amounting to R46, 830, 000.	A detailed report in this regard was presented to the Committee.
		The Department should provide the list and costs of the Transport infrastructure projects that were deferred to the next financial year – Design, Construction and Maintenance sub-programmes.	There are no projects that have been deferred to next financial year. Design, Construction and Maintenance projects have been delayed due to COVID-19 lockdown restrictions and projects will be implemented later this FY. **DESIGN PROJECTS** The listed design projects experienced delays due to COVID 19 lock down.

Date	Subject	Matters Raised	Department's Response
			They are still planned to initiate this financial year 2020/21 but with reduced budget due to the delay.
		As well as the rationale/ reasons for deferring the above projects noting that some of the projects have experienced delays which had a negative impact on service delivery and estimated budgets.	There are no projects that have been deferred to next financial year.
		The Department should provide a report on why the budget for Bus subsidy remains the same whereas bus contracts has been reduced to 16 from 14.	With reference to the new bus contracts that are going to be put out on tender, the Department is going to advertise 9 consolidated bus contracts. The Department has modelled all routes in the Gauteng Province and identified which routes are efficient to have subsidised bus contracts and which ones are suitable for other modes of Transport in an integrated Transport network. As such in the new contracts the services have been reduced and this reduction also accommodates the available PTOG budget since NDOT and Treasury will not increase the allocation. Municipalities have been sensitised about this reduction and have been advised to put measures in place to accommodate the areas that will not be covered. The new bus contracts will be in line with the cost drivers for running public transport services and will see the renewal of bus fleets and better services for commuters.
		The Department should provide a detail report on the budget for Vereeniging intermodal facility in relation to adjustment budget.	Vereeniging Intermodal has been allocated a budget of R100 000.00, currently GPDRT is waiting for GPDID to finalise Business Case which will indicate the cost of project. Once the business case is approved by

Date	Subject	Matters Raised	Department's Response
			Provincial Treasury, budget will be adjusted during adjustment period.
		The Department should provide detail report on the adjustment of budget in the Transport Regulation programme per the revised APP.	The adjustments made within Programme 4: Transport Regulation were as follows: - R2.5 million: Reprioritisation of DLTCs building rentals budget to the fight against the COVID-19 pandemic - shifted from Programme 4: Transport Regulation to Programme 1: Administration (EHW); and - A surrender of R7.5 million from the Compensation of Employees item because the Department is anticipating to not fill posts in this programme for the rest of the financial year.
		Progress made in the implementation of Queue Management System in Provincial DLTCs and measures in place to address the backlog as a result of COVID-19 lockdown.	A detailed presentation was tabled before the Portfolio Committee.
03/09/2020	Invitation to the Roads and Transport Portfolio Committee Meeting	• Committee Questions on the First Quarter Report for 2020/21 FY - will be forwarded in due course. • Detailed report on how the Department will salvage both projects and get them back to construction - Sebokeng DLTC & TOLAB and Vereeniging Intermodal Facility; • Procurement of pre-owned rolling stock from UK – Gautrain Management Agency;	The Department tabled detailed presentations before the Committee in this regard.

Date	Subject	Matters Raised	Department's Response
20/11/20202	Invitation to the Roads and Transport Portfolio Committee Meeting	Provincial Adjustment Appropriation Bill for 2020/21 FY	A detailed presentation was tabled before the Portfolio Committee.
24/11/2020	Focused Intervention Study (FIS) Report on the Lack of Capacity in the Department and g-FleeT Management	Request for the Responses on Oversight Committee on Roads and Transport Adopted Focused Intervention Study (FIS) Report on the Lack of Capacity in the Department and g-FleeT Management	The Committee was provided with a comprehensive report responding to all questions raised in the FIS.
	House Resolutions - Resolutions on the Adopted Focused Intervention Study (FIS)	Responses to House Resolutions on the Adopted Focused Intervention Study (FIS) Report on the Assessment of Implementation of Queue Management System in DLTCs and TOLABs and Measures in place to Curb Backlog as a Result of Lockdown	The Committee was provided with a comprehensive report responding to all questions raised in the FIS.

8. SCOPA RESOLUTIONS

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
SCOPA Focused Intervention Study (FIS) Questionnaire	Study (FIS) Questionnaire related to expenditure management and anticipated consequence management for the Department of Roads and Transport (and its entities)	Provide the Department's (and its entities where applicable) detailed trend analysis of the findings by the Auditor General of South Africa (AGSA) on the listed expenditure management areas. The trend analysis must be based on the audit outcomes of the period of the 5th Term, i.e. the 5 Financial Years of 2014/15 to 2018/19.	Three sets of detailed reports were submitted to SCOPA for DRT, GMA and g-FleeT Management	Yes.

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
SCOPA Preliminary Questions (25/01/2021)	SCOPA Preliminary Questions emanating from report on the Auditor-General's Report on the financial statements and performance information of the Department of Roads and Transport and g-FleeT Management for the year ended 31 March 2020	Provide the list of all lawsuits which the Department is the defendant by 31 March 2020, including the original date of each lawsuit	Detailed report submitted as required.	No
		Provide the list of lawsuits for the current financial year, i.e. the period from 01 April to 31 December 2020	Detailed report submitted as required.	No
		Provide the following information as it relates to the lawsuits as requested. a. The summary of matters about which are the lawsuits. b. Progress in resolving each lawsuit by 31 December 2020.	Summary and progress as requested.	Ongoing
		Please provide information on the number of lawsuits settled due to court orders and amounts settled on for year under review.	A detailed report in this regard was submitted to the Committee.	No
		How has settling of lawsuits due to court orders affected service delivery and job creation/ SMME business, especially where claims are against budget for the current F.Y?	Settling of lawsuits meant that money which was earmarked for other service delivery projects or initiatives had to be diverted to pay for the claims. This money could have been used in the execution of projects to create jobs. The extent of impact on SMME's has not been	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
			determined, however, they would have benefited in terms tender awards or subcontracting and job creation through the Department's projects. This did not affect payment of invoices that are due for payment to SMME businesses contracted to the Department.	
		Please explain what reasonable steps were taken to maintain provincial roads in order to minimise lawsuits, and how did it yield results?	The Department has appointed service providers with CIDB level classified as RISFSA 1&2, Class 3 and Classes 5&6 for the maintenance of roads in the Gauteng Province. The arterial roads as well as Regional roads including Provincial Freeways are allocated to the outsourced routine roads maintenance programme. The implementation of the outsourced routine maintenance programme has reduced the Departmental contingent liability as litigation get transferred to the relevant service	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
			providers as per the contract for a duration of the contract which is three years (thirty–six months cycles). The claims and risk related to the allocated roads will be the responsibility of the service provider. This was a mandatory requirement on the tender document that service provider needs to have insurance to cover for the claims related to roads	
		Please provide detail of any lawsuits where service providers were responsible for the damages (Outsourced Routine Maintenance Service Providers)	A detailed report in this regard was submitted to the Committee.	No
		Provide the Committee with a breakdown of the underspent amount in each programme; the reasons for underspending of the amount; the impact of underspending on service delivery; the effect or implications of the underspent amount in the new financial year, i.e. 2020/21, if any; Reasons why interventions and controls did not yield results. This is evident in the increase of the underspent from 2018/19	A detailed report in this regard was submitted to the Committee.	No.

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		F.Y. R359 603 000 vs R637 203 000 in 2019/20 F.Y.		
		Please confirm if the Department was successful in appointing a bus operator in the Sedibeng area, and how this has impacted on service delivery?	Not yet, GDRT is busy negotiating the terms and conditions of the contract with the recommended bidder to make sure that the contract is concluded within the available allocated PTOG budget. The model tender contract document is currently with the Department's legal unit for vetting purpose with a view to be operationalised in the new financial year of 2021/2022.	No
		Please provide current status of consultations with National Department of Transport and CSIR regarding a new process to re-advertise the subsidized bus tenders, and how have significant increase in required budget been mitigated?	The Department wrote a letter to the National Minister of Transport requesting approval to amend the gazetted model tender contract document to be in line with the special conditions of the province. The Department is still waiting for a response from the Minister to be able to proceed and finalize the appointment of the recommended bidder.	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
			The significant increase in budget required would be mitigated by rationalisation of routes to make sure that all routes contracted fit within the available PTOG budget allocated to the province. The Department has consulted with all affected municipalities to prepare them for service reduction and further requested them to make plans to cover the gap.	
		Please indicate how many outdated subsidized bus contracts are still in place?	Historically GDRT was administering thirty-four (34) budgeted subsidised bus contracts. Out of the 34 contracts only 30 contracts are operational and four (4) contracts in active (3 for City of Ekurhuleni and 1 for Sedibeng District Municipality).	No
		Please confirm if the process of independently re-reviewing the organisational structure have been completed by the end of 2019/20 FY, and if not reasons why not, as this results in under-spending within	The Organisational process has not been concluded. The timeframe to conclude the contract for the service provider was February 2020. Covid 19 Level 5 Lockdown pronouncement by the President affected	

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		compensation of employees?	the initiation and commencement of project milestones, as well as the continuation of critical milestones and engagements as per the terms of reference and approved contract as planned by approximately 3 Months. Project activities were initiated in June 2020 with the project timeframes scheduled for completion in November 2020. In August 2020, the MEC requested that the Office of the Premier (OoP) review project deliverables by the service provider. OoP has presented their findings to the MEC on 19 January 2021 on how to proceed with project implementation and completion.	
		Please explain how the Department was able to attract project managers and engineers for example?	The Department is not able to attract project managers and engineers due to the following reasons: Difficulties in attracting and retaining people with engineering skills due to the allocated salary scales.	No.

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
			The shortage of engineers in the Department for transport, infrastructure, civil, electrical and mechanical engineer is exacerbated by the lucrative conditions of service that the international market often presents.	
		Please confirm if GPT has been assisting the Department as far as the application of the Open Tender process is concerned and what progress has been made?	The Department can confirm that the Gauteng Provincial Treasury has been supportive and has adequately exercised their role in providing oversight and monitoring over the Open Tender Process. The introduction of the Open Tender Framework and the decentralisation of the process to appoint probity auditors has allowed the Department to exercise improved control over its procurement processes.	Yes
		How has capacity constraints in the SCM unit been addressed during the year under review?	Department provided a detailed report in this regard.	No.
		Provide the Committee with details for the lack of	The Department has put systems in place	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		accurate and complete records for the reported achievements of the following three indicators relating to Programme 3: Transport Operations	to manage progress against achieving the targets and making sure that accurate and complete records are kept amongst other things for audit.	
		Provide the Committee with details for the performance of the programmes funded by the public transport operations grant not having been evaluated, as required by section 11(6)(a) of the Dora	The country was on a national hard lockdown from March 2020 and the evaluation timeline fell within the hard lockdown. All responsible officials were not available during that time which affected the evaluation.	No
		Provide the Committee with details for not implementing information systems to enable the monitoring of progress made towards achieving targets, core objectives and service delivery as required by public service regulation 25(1)I(i) and (iii).	Department provided a detailed report in this regard.	No
		Provide the Committee with details for not submitting to the AGSA the final 2019-29 annual report, Progress in submit this information to the AGSA, and the comments of the AGSA where this information has been submitted.	The Department's final Annual Report 2019/20 was submitted to the Auditor General (AG) for their approval and sign off for the printing of the Annual report in November 2020 upon completion of the audit. The electronic print version of the	Yes.

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
			Annual Report 2019/20 was submitted electronically to the AG. in November 2020 inclusive of all the changes requested by the AG. The response from the AG was received on the same day indicating all concerns were addressed with only one cosmetic spacing issue. The change was effected and the final Annual Report electronic version was emailed to the A.G. again on the same day. On 28th January 2020, the printed hard copy was delivered to the AG upon which the receipt of the report was acknowledged.	
		Provide the Committee with: (a) Details for the accounting officer not to have adequately exercised oversight responsibility regarding financial and performance reporting and compliance with legislation. (b) Details for the Department not to have had sufficient monitoring and reviewing controls to ensure that financial and performance reports submitted for	A detailed report in this regard was submitted to the Committee.	Yes

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		auditing were accurate and complete and that action plans developed were adequately and timeously implemented. (c) Details on why management did not adequately review and monitored compliance with applicable laws and regulations. (d) Details of action the Department has taken or will take to deal with this negligence and ensure that it will not recur in future financial year.		
		Provide the Committee with the list indicating the Investigations relating to the period which ended 31 March 2019; Investigations relating to the year under review, 2019/20; Investigations relating to the current financial year, i.e. 01 April 2019 to 31 December 2020; Summary of the nature of each investigation; Stage of the investigation by 31 December 2020; Where the investigations are completed, provide summary of measures which were recommended and the stage of implementation of these recommendations by 31 December 2020; Where the investigations were not completed, please provide	A detailed report in this regard was submitted to the Committee.	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		estimated period the investigations are anticipated to take; and Provide the Committee with the plan of the Department to minimize/eliminate financial irregularities, financial misconduct, and fraud (if the plan exists).		
		Provide the closing balance of UE by 31 March 2018.	Nil.	Yes
		Provide the total amount of UE incurred in 2019/20 financial, year, including the details (what gave rise to such UE).	Nil.	Yes
		Provide the amounts of UE condoned in 2019/20, including the process followed and reasons for condoning such amounts.	Nil.	Yes
		Provide the actions taken by to implement the recommendations of the findings of the investigations on UE, if any.	The Fruitless and wasteful transactions are still a subject of investigations. Based on the finalization outcome, the recommendations will be implemented accordingly.	No
		Where the UE has not been condoned, please provide the reasons for not condoning such UE.	N/A	Yes
		Provide the following:	A detailed report in this regard was	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		The closing balance of F&WE by 31 March 2018. The total amount of F&WE incurred in 2019/20 financial, year, including the details (what gave rise to such F&WE); Amounts of F&WE condoned in 2019/20, including the process followed and reasons for condoning such amounts. Actions taken by Department to implement the recommendations of the findings of the investigations on F&WE, if any; Where the F&WE has not been condoned, please provide the reasons for not condoning such F&WE.	submitted to the Committee.	
		Provide the following: The closing balance of IE by 31 March 2018; The total amount of IE incurred in 2019/20 financial, year, including the details (what gave rise to such IE); Amounts of IE condoned in 2019/20, including the process followed and reasons for condoning such amounts; Actions taken by to implement the recommendations of the	A detailed report in this regard was submitted to the Committee.	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		findings of the investigations on IE, if any; Where the IE has not been condoned, please provide the reasons for not condoning such IE; For each of the UIF&W investigation, please comment on the relevance of Treasury Regulation 12.2, and how the Department has implemented it, where necessary.		
		Provide the following as it relates to lawsuits in the Department: The list of all lawsuits which the Department is the defendant by 31 March 2020; The list of lawsuits for the current financial year, i.e. the period from 01 April to 31 December 2020.	A detailed report in this regard was submitted to the Committee.	No
		Provide the following information as it relates to the lawsuits as requested: The summary of matters about which are the lawsuits; and Progress in resolving each lawsuit by 31 December 2020.	A detailed report in this regard was submitted to the Committee.	No
		For each of the investigation, please comment on the relevance of Treasury Regulation 12.2, and how the	This is labour process based on the outcome of the hearing, if the	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		Department has implemented it, where necessary.	judgement state monies to collected.	
		Investigations: The Department must provide the Committee (SCOPA) and the Roads and Transport Portfolio Committee with a quarterly progress report detailing the implementation of the investigation of the investigation report and continuing up until the finalisation thereof.	A detailed report in this regard was submitted to the Committee.	No
		Please confirm if the Department has been able to appoint / train to have enough competent officials to roll-out Business Continuity Management. If not, please explain why not.	A detailed report in this regard was submitted to the Committee.	No
		Please confirm if all ICT applications/ systems that was migrated to SITA, are still being maintained and security risks are minimised? Please indicate how much is paid to SITA to maintain and secure all departmental ICT applications and systems.	• All applications migrated to SITA are hosted on a fully managed data centre. • All servers are full managed 24/7 with security, monitoring with a monthly average availability of 99.8 percent. •Data stored in DRT servers is replicated to the Disaster recovery site. Replication reports	Yes

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
			are automated sent to departments daily. • **A monthly amount of R330, 220.50** is paid to SITA to maintain and secure all Departmental ICT applications and systems.	

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

No prior modifications were completed to Audit reports.

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
-	-	-

10. INTERNAL CONTROL

- In accordance with the requirements of the PFMA, and best practice, the Department has a fully resourced internal Audit function.
- The Internal Audit performed its audits according to the approved Internal Audit coverage plan. The Plan was based on high-risk areas as per the Strategic risk profile.
- The Head of the Department was appointed, and he is responsible for Strategic and administration support to the Internal Audit function.
- There is an on-going process for identifying, evaluating, and managing the significant risks faced by the Department in order to prioritise high risk and ensure adequate controls are designed and are tested on regular basis for effectiveness.
- All planned internal audits were completed during the year under review.
- Administrative policies were reviewed, approved, and communicated.
- Quarter audit reports were presented to audit committee for independent oversight.
- Risk management action plans were closely monitored for implementation.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

Gauteng Audit Services (GAS) provides internal audit services to all GPG Departments. The objective of GAS is to promote sound corporate governance in the province through ensuring an effective internal control environment.

Key Activities of Internal audit

Risk based Internal Audit Plans were developed by GAS and approved by the respective Departmental Audit Committees which exercise oversight over the activities of GAS.

The activities are as follows:

- Risk and compliance audit.
- Performance Audit; and
- Computer Audit.
- Information Technology Risk Assessment.

Summary of audit work completed.

- Twelve (12) Risk, Compliance, Performance and Computer audits.

During the last quarter of the 2020/2021 financial year, Gauteng Audit Services presented the risk-based three year rolling internal audit plan for the Gauteng Department of Roads and Transport to the audit committee, having discussed with the Accounting Officer and recommended for approval by the Audit Committee. The Internal Audit plan was approved by the audit committee for implementation from 1st April 2020.

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

CLUSTER 04

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Vishnumurthie Kista Naicker	➢ B. Com (Accounting and Economics Major) ➢ Higher Diploma in Taxation (H. Dip. Tax) ➢ Business Management Diploma (B. Mg. Dip) ➢ Systems Administration Diploma	External	-	11 August 2020	Current	5
George Higgins	➢ Chartered Accountant (SA) ➢ B. Com (Hons) ➢ B. Com ➢ Higher Diploma in Auditing	External	-	01 September 2016	Current	5
MMathebe Annah Faith Moja	➢ Masters in Business Leadership ➢ Advanced Treasury Management ➢ B. Com	External	-	11 August 2020	Current	5

12. AUDIT COMMITTEE REPORT

GAUTENG PROVINCIAL GOVERNMENT (GPG)

Report of the Audit Committee – Cluster 04

Gauteng Department of Roads and Transport

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

Audit Committee and Attendance

The Audit Committee consists of the external Members listed hereunder and is required to meet a minimum of at least two times per annum as per provisions of the Public Finance Management Act (PFMA). In terms of the approved Terms of Reference (GPG Audit Committee Charter), five meetings were held during the current year, i.e. three meetings to consider the Quarterly Performance Reporting (financial and non-financial) and two meetings to review and discuss the Annual Financial Statements and the Auditor-General of South Africa's Audit and Management Reports.

Non-Executive Members

The table below discloses relevant audit committee information:

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

Executive Members

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

Compulsory Attendees	Number of Meetings attended
Mr. Makhukhu Mampuru (Accounting Officer)	04
Ms. Noxolo Maninjwa (Acting Accounting Officer)	01
Ms. Mampe Gololo (Chief Financial Officer)	02
Mr. Lesibana Fosu (Former Acting Chief Financial Officer)	02
Mr. Poobalan Govender (Former Acting Chief Financial Officer)	01
Ms. Delicia Kgage (Chief Risk Officer)	04
Ms. Malebo Duduzile (Acting Chief Risk Officer)	01
Mr. Kweyama Velile (Chief Audit Executive)	05

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

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

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38(1)(a) of the PFMA and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this Charter and has discharged all its responsibilities as contained therein.

The effectiveness of internal control

The audit committee acknowledges management's efforts to strengthen internal controls in the Department, the quality of the financial statements has improved compared to the prior year. It was noted in various internal audit reports, management and audit reports of the Auditor-General of South Africa that matters were reported indicating deficiencies in the system of internal controls in areas pertaining to financial reporting, asset management, reporting on pre-

determined objectives, and compliance with laws and regulations, and in some cases resulted in repeat findings.

In some instances, the system on internal control for the period under review was found to be adequate but ineffective and there is room for improvement in so far as addressing internal audit findings timeously and implementation of consequence management. Some of the issues/concerns raised by Internal Audit during year were raised by the Auditor-General of South Africa. The Audit Committee is of the view that management should continue strengthening the internal control environment with the development and implementation of systems across the internal control universe. Management should also improve its financial reporting controls to ensure that risks of material misstatement to the financial statements are minimised. Management is commended for reducing irregular expenditure and fruitless and wasteful expenditure incurred in the current year when compared to the prior year.

Information and Communication Technology (ICT) Governance

The department made some progress in implementing the recommendations from 2019/20.The Audit Committee notes the Auditor-General of South Africa and Internal Audit reports around ICT governance, business continuity duplicate user accounts on the e-NaTIS application. The state of IT controls was not at a desirable level, ICT governance controls were not adequate and key ICT positions remain vacant. The Department has been advised to ensure that significant attention is allocated to resolving these deficiencies in the next financial year. Management has further been encouraged to address control deficiencies that exists in the management of IT assets.

Internal Audit

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

The Internal Audit team managed to execute and complete substantial all original approved risk-based audit projects within the allocated budget hours and time-frames. The Audit Committee is satisfied that the Internal Audit plan represents a clear alignment with the key risks, has adequate information systems coverage, and a good balance across the different categories of audits, i.e. risk-based, mandatory, performance, computer and follow-up audits.

The coordination of efforts between internal audit and Auditor-General of South Africa have been enhanced further during the year in the provision of assurance services. The Audit

Committee believes this is an important step towards a fully effective combined assurance system .

Internal Audit was assessed to be Generally Conformant with the International Standards for Professional Practice of Internal Auditing.

The Audit Committee will continue to monitor the capacity and the resources allocated to the Internal Audit function.

Risk Management

Progress on the management of risk within the department was reported to the Audit Committee on a quarterly basis. The Audit Committee is of the opinion that department's risk management maturity state has advanced to an intermediary level with further identified aspects of its risk management strategy still to be implemented. Risk management activities were carried out, however they were deemed to be insufficient. Significant elements like fraud risk management remain outstanding, namely the fraud risk assessment and fraud prevention plan. Management should continue to take full responsibility for the entire Enterprise Risk Management Process and continue to support the Chief Risk Officer in advancing the risk maturity level of the Department especially during these times of COVID-19.

Performance Management

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

Management is encouraged to ensure that appropriate systems and processes are in place to ensure the attainment of its performance targets in light of the Auditor-General of South Africa's significant finding that many of the performance indicators were behind targets and in some cases no delivery took place. Management is further encouraged to ensure that control deficiencies in relation to record keeping associated with performance information is improved, in particular procurement and contract management.

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

The Audit Committee reviewed the quality, accuracy, uselessness, reliability and appropriateness of quarterly and annual financial reporting and the Audit Committee is satisfied with the content and quality of financial and non-financial quarterly reports prepared and

submitted by the Accounting Officer of the department during the year under review and confirms that the reports were in compliance with the statutory reporting framework. The Audit Committee would like to commend the department for reporting monthly and quarterly to Treasury as is required by the PFMA. The Audit Committee recommends that the department should fully comply with section 40(1) of the PFMA, in so far as management's review and monitoring of financial reports and performance information reports.

Compliance with the relevant laws and regulations

A number of non-compliance with enabling laws and regulations were noted by the Audit Committee, Management, Internal Audit and Auditor-General of South Africa during the year. As result, the Audit Committee recommended the development and implementation of an effective compliance management system with an objective of addressing the issues of non-compliance with laws and regulations.

Forensic Investigations

Investigations into alleged financial irregularities, financial misconduct and fraud were completed during the year under review. Certain investigations are still in the process of finalisation. Various measures were recommended including taking action against the identified officials and this was in the process of finalisation. The recommendations are at various stages of implementation and continues to remain a high priority of oversight for the Audit Committee.

Evaluation of Annual Financial Statements

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

- Reviewed the draft annual financial statements prepared by the department before the submission of the annual financial statements to the external auditors for audit the audit committee meeting held on the 21st May 2021 and recommended them for audit.
- Reviewed the draft annual financial statements prepared by the department before the submission of the annual financial statements to the external auditors for audit the audit committee meeting held on the 21st May 2021 and recommended them for audit.
- Reviewed and discussed the following matters relating to the audited Annual Financial Statements to be included in the Annual Report, with the Auditor-General of South Africa and the Accounting Officer:
    - Significant financial reporting judgements and estimates contained in the annual financial statements.
    - Clarity and completeness of disclosures and whether disclosures made have been set properly in context.

- Quality and acceptability of, and any changes in, accounting policies and practices.
- Compliance with the Modified Cash Standard and the PFMA requirements.
- Significant adjustments and/or unadjusted differences resulting from the audit.
- Reflection of unusual circumstances or events and management's explanation for the accounting treatment adopted.
- Reasons for budget variations
- Reasons for major year-on-year fluctuations.
- Asset valuations and revaluations.
- Calculation and levels of general and specific provisions.
- The basis for the going concern assumption, including any financial sustainability risks and issues.

- Reviewed the Audit Report of the Auditor-General of South Africa;
- Reviewed the Auditor-General of South Africa's Management Report and Management's response thereto;
- Reviewed the Department's compliance with legal and regulatory provisions; and
- Reviewed significant adjustments resulting from the audit.

The Audit Committee notes the finding regarding the material adjustment related to the treatment of Irregular Expenditure and Fruitless and Wasteful Expenditure to the annual financial statements and accepts that the disclosure is appropriate.

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

Evaluation of Annul Report

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

- Audit Committee evaluated final draft Annual Report (including performance report) the audit committee meeting held on 24th August 2021 and noted the achievement for the year under review and recommended it.

Audit Improvement Plan for 2019/20

The Audit Committee reviewed and monitored the implementation of prior year audit findings on quarterly basis. It is the view of the Audit Committee that there is a room for improvement in

this regard in so far as timeous implementation and the resolution of findings highlighted as well as addressing the root-causes relating to the weakness identified by the external auditors.

One-on-One Meeting with the Accounting Officer

The Audit Committee has met with the Accounting Officer for the Department to address unresolved issues.

One-on-One Meetings with the Executive Authority

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

Conclusion

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

Furthermore, he Audit Committee is encouraged and appreciates an improvement in the communication between the Accounting Officer, Senior Management, the Auditor-General of South Africa and the Internal Audit Function which if continued can strengthen the Corporate Governance initiatives within the Department.

The Audit Committee would like to express its appreciation to the Head of Department, Management and to Internal Audit and Management for their commitment and achievement of the unqualified audit opinion.



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Mr Vishnu Naicker
Chairperson of the Audit Committee
06 September 2021

13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

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

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	**Response** **Yes / No**	**Discussion** **(*include a discussion on your response and indicate what measures have been taken to comply*)**
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	The Department is currently reviewing its policies and procedures to incorporate the determination of qualification criteria and the monitoring thereof.
Developing and implementing a preferential procurement policy?	Yes	The Department has incorporated the implementation of the preferential procurement policy in the supply chain management policy. A process is in place to monitor the implementation of this criteria.
Determining qualification criteria for the sale of state-owned enterprises?	No	The Department applies the requirements of the PFMA when involved in the sale of state owned enterprises.
Developing criteria for entering into partnerships with the private sector?	Yes	The supply chain management policy of the Department set out criteria for entering partnerships with private sector.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	The Department is reviewing its policies regarding implementation of policies and procedures in support of the implementation of Broad Based Black Economic Empowerment.

PART D:
HUMAN RESOURCE MANAGEMENT


GAUTENG PROVINCE
ROAD MAINTENANCE

1. INTRODUCTION

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

2. OVERVIEW OF HUMAN RESOURCES

Skills Training And Development

The Department has trained one hundred and seven (107) employees on the following training programmes:

- Provincial Peer Learning Exchange Seminar,
- Introduction to Strategic Planning and Management,
- Introduction to Financial Management and Budgeting,
- Leading Change,
- Policy and Procedure on Incapacity Leave and Ill Health Retirement (PILIR),
- Facilitation, Mediation, Negotiation and Conflict Resolution,
- Executive Induction Programme (EIP),
- Conference Public Service Trainers Forum (PSTF), and
- COVID-19 Webinar.

Performance Management and Development System

The Departmental Performance Management and Development System policy for employees on level 1-12 was approved. The Departmental Moderation Committee (DMC) was established for employees on level 1-12 to improve and ensure consistency and quality assurance of Performance Agreements and Assessment methodology within the Department. A pilot Programme on the Automated Electronic Performance Management and Development System (e-PMDS) in collaboration with the Department of e-Government was launched and one hundred and twenty (120) employees participated with the purpose of automating the PMDS Programme as from the 2021-2022 performance cycle.

Job Access Strategic Framework (JASF) and Gender Empowerment Strategic Framework (GESF)

The **Job Access Strategic Framework (JASF) and Gender Empowerment Strategic Framework (GESF) Reports** were submitted to the Office of the Premier (OoP) and Department of Public Service and Administration (DPSA). The GESF focuses on gender mainstreaming, whilst the JASF focuses on mainstreaming issues related to disability in the workplace.

The strategic framework ensures the empowerment of women and Persons with Disabilities (PwDs) through various mainstreaming principles by fast tracking strategies to address the historical challenges experienced by women and persons with disabilities within the workplace.

Addressing Employee Wellness and safety during COVID 19

Supporting employees' health and safety during the pandemic was critical. Various interventions and protocols were introduced to support employees to carry out their work in a safe and efficient manner. Employee Health and wellness services were deployed to support both onsite and remote working employees in a bid to slow the spread of the COVID-19 virus.

A return-to-work plan was reviewed in line with COVID-19 alert level one as reintroduced by the President. A total number of sixty (60) new temperature scanners were purchased and seventeen (17) were distributed to offices. COVID-19 Screening was conducted in all offices on a daily basis, a total number of sixty-six thousand and seven (66, 007) employees and members of the public combined were reached. Three (3) policies were reviewed (Safety, Health, Environment, Risk and Quality Management (SHERQ), Personal Protective (PPE) and Clean Workplace Policy. A total number of Three hundred and forty-six (346) employees were inducted for COVID-19.

In partnership with Department of Health, Five hundred and eighty eight (588) employees who were in quarantine were tested for COVID-19. Five (5) working procedures for COVID-19 and a COVID-19 toolkit was developed. Personal Protective Equipment (PPE) in the form of surgical and cloth masks, face shields, disenfactant, hand cloves and sanitizers were distributed to all employees. Furniture was procured for sixteen (16) isolations rooms in all worksites. A total number of forty five (45) youth cadets were recruited to assist with COVID-19 screening in all DRT worksites.

In terms of COVID-19 regulations, an employer is required to identify vulnerable and employees with cormodities. Applications forms to work from home due to vulnerabilities were developed and distributed for employees. A total number of sixty eight (68) applications were received and are being processed with the assistance of the Office of the Premier.

COVID-19 training was conducted for employess to enable them to cope with COVID-19, implement preventive measures to keep their working enviroment safe and support both their mental and physical health.

Unfortunately, despite the preventive mesures implemented, COVID-19 impacted negatively on the employees. A total number of eighty one (81) employees tested positive for COVID-19 since June 2020. The Department tragically lost 3 of employess due to COVID-19.

Organisational Structure Review

The Gauteng Department of Roads and Transport continued with its organisational restructuring process intending to align the Structure to the organisational five-year strategy.The restructuring process is focused on realigning the organisation to achieve mandate and acquire the key competencies and capabilities to contribute to the priorities of the National and Provincial Government.

The Department's restructuring process focused on the Organisational Operational Model complemented by its Service Delivery Model to optimise the improvement of operational effectiveness and efficiencies. The work-study reviews were conducted to inform updated job profiles and grades which will contribute to a peaceful working space between employer and organised labour and respond to the call from the National Government on an efficient and capable public service. The critical elements of engagements, reorganised structure, service delivery model, business processes will be completed by the end of 2021. Once the approval from the Minister of Public Service on the restructured organisational organogram is received, the filling of identified, critical posts will be undertaken.

Aligned to the reorganised structure is the reengineering of the business process by 2023 which will expedite the Department's integration of an e-services platform for administrative functions and front-line services functions by 2025.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1. Personnel related expenditure

Table 3.1.1 Personnel expenditure by Programme for the period 1 April 2020 and 31 March 2021

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	314,878	188,837	0,00	0,00	60,00	426,00
Gautrain	1,790,721	279,173	0,00	0,00	15,60	371,00
Transport Infrastructure	2,083,940	53,653	0,00	0,00	2,60	976,00
Transport Operations	251,765	183,908	0,00	0,00	73,10	347,00
Transport Regulation	2,680,758	0,00	0,00	0,00	0,00	0,00
Total	**7,122,062**	**705,571**	**0,00**	**0,00**	**9,90**	**396,00**

Table 3.1.2 Personnel costs by salary band for the period 1 April 2020 and 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)	32 534,00	4,70	84,00	387 310,00
Skilled (level 3-5)	165 506,00	24,10	704,00	235 094,00
Highly skilled production (levels 6-8)	226 166,00	32,90	525,00	430 792,00
Highly skilled supervision (levels 9-12)	156 606,00	22,80	205,00	763 932,00

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Senior and Top management (levels 13-16)	53 812,00	7,80	39,00	1 379 795,00
Contract (Levels 3-5)	229,00	0,00	1,00	229 000,00
Contract (Levels 6-8)	5 799,00	0,80	17,00	341 118,00
Contract (Levels 9-12)	15 199,00	2,20	30,00	506 633,00
Contract (Levels >= 13)	3 934,00	0,60	4,00	983 500,00
Periodical Remuneration	12 622,00	1,80	17,00	742 471,00
Abnormal Appointment	8 223,00	1,20	159,00	51 717,00
Total	**680 632,00**	**99,10**	**1 785,00**	**381 306,00**

Table 3.1.3 Salaries, Overtime, Homeowners Allowance and Medical Aid by Programme for the period 1 April 2020 and 31 March 2021

Programme	Salaries		Overtime		Homeowners Allowance		Medical Aid	
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	205 057,00	252,80	2 466,00	1,10	8 791,00	13,20	13 226,00	10,2
Transport Infrastructure	309 584,00	314,3	5 421,00	2,90	18 355,00	15,80	29 210,00	20,80
Transport Operations	21 405,00	77.70	604,00	2,20	785,00	2,80	1 629,00	5,90
Transport Regulation	714,00	71,00	00,00	0,00	187,00	18,60	15,00	1,50
Total	**536 760,00**	**78,20**	**8491,00**	**1,20**	**28 1178,00**	**4,10**	**44 081,00**	**6,40**

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

Salary band	Salaries		Overtime		Homeowners Allowance		Medical Aid	
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)	21 772,00	66,70	548,00	1,70	2 975,00	9,10	4 527,00	13,90
Skilled (level 3-5)	119 138,00	71,60	2 462,00	1,50	10 318,00	6,20	18 111,00	10,90
Highly skilled production (levels 6-8)	175 772,00	77,30	3 543,00	1,60	8 334,00	3,70	15 945,00	7,00
Highly skilled supervision (levels 9-12	130 906,00	82,20	1 919,00	1,20	4 429,00	2,80	4 294,00	2,70
Senior management (level 13-16)	46 506,00	85,60	0,00	0,00	1 266,00	2,30	712,00	1,30
Contract (Levels 3-5)	206,00	90,00	0,00	0,00	0,00	0,00	0,00	0,00
Contract (Levels 6-8)	4 719,00	78,00	6,00	0,10	190,00	3,10	297,00	4,90
Contract (Levels 9-12)	13 491,00	86,70	13,00	0,10	515,00	3,30	99,00	0,60
Contract (Levels >= 13)	3 403,00	85,00	0,00	0,00	90,00	2,20	95,00	2,40
Periodical Remuneration	12 622,00	100,00	0,00	0,00	0,00	0,00	0,00	0,00
Abnormal Appointment	8 223,00	100,00	0,00	0,00	0,00	0,00	0,00	0,00
Total	**536 760,00**	**78,20**	**8 491,00**	**1,20**	**28 117,00**	**4,10**	**44 081,00**	**6,40**

3.2. Employment and Vacancies

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	453	355	22%	0
Transport Infrastructure	1139	742	35%	19
Transport Operations	67	51	24%	0
Transport Regulations	578	461	20%	0
Total	2237	1609		19

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)	107	84	21.5%	0
Skilled (3-5)	973	704	27.6%	0
Highly skilled production (6-8)	727	525	27.8%	5
Highly skilled supervision (9-12)	328	205	37.5%	5
Senior management (13-16)	50	39	22%	0
11 Contract (Levels 3-5), Permanent	01	1	0%	0

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
12 Contract (Levels 6-8), Permanent	17	17	0%	12
13 Contract (Levels 9-12), Permanent	30	30	0%	24
14 Contract (Levels >= 13), Permanent	04	4	0%	0
Total	**2,237**	**1,609**	**28.1%**	**46**

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
Administrative related, Permanent	218	165	24.3%	3
All artisans in the building metal machinery etc., permanent	9	9	0%	0
Appraisers-Valuers and related professionals, permanent	2	0	100%	0
Architects town and traffic planners, permanent	1	1	0%	1
Artisan project and related superintendents, Permanent	34	24	29.4%	0
Attorneys, Permanent	2	2	0%	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Authors journalists and other writers, permanent	1	1	0%	0
Auxiliary and related workers, permanent	54	37	31.5%	0
Building and other property caretakers, permanent	4	4	0%	0
Bus and heavy vehicle drivers, permanent	10	6	40%	0
Cartographers and surveyors, Permanent	2	2	0%	2
Cartographic surveying and related technicians, permanent	5	0	100%	0
Civil engineering technicians, permanent	2	2	0%	0
Cleaners in offices workshops hospitals etc., permanent	106	88	17%	0
Client inform clerks (switchboard receptionist information clerks), permanent	5	3	40%	0
Communication and information related, permanent	6	3	50%	0
Computer system designers and analysts., permanent	6	5	16.7%	0
Economists, permanent	3	1	66.7%	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Engineering sciences related, permanent	27	14	48.1%	4
Engineers and related professionals, permanent	136	75	44.9%	35
Finance and economics related, permanent	20	17	15%	0
Financial and related professionals, permanent	12	8	33.3%	0
Financial clerks and credit controllers, permanent	55	45	18.2%	0
Food services aids and waiters, permanent	1	0	100%	0
General legal administration & rel. professionals, permanent	1	1	0%	0
Head of department/chief executive officer, Permanent	1	1	0%	0
Housekeepers laundry and related workers, permanent	1	0	100%	0
Human resources & organisation development & relate prof, permanent	44	36	18.2%	0
Human resources clerks, permanent	30	18	40%	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Human resources related, permanent	25	18	28%	0
Identification experts, permanent	1	1	0%	0
Information technology related, permanent	9	4	55.6%	0
Language Practitioners interpreters & other communication, permanen	1	1	0%	0
Legal related, permanent	6	2	66.7%	0
Light vehicle drivers, permanent	5	2	60%	0
Logistical support personnel, permanent	2	2	0%	0
Material-recording and transport clerks, permanent	19	15	21.1%	0
Messenger's porters and deliverers, permanent	27	23	14.8%	0
Motor vehicle drivers, permanent	3	3	0%	0
Other administration & related clerks and organisers, permanent	369	310	16%	0
Other administrative policy and related officers, permanent	221	154	30.3%	0
Other information technology personnel., permanent	22	20	9.1%	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Other occupations, permanent	42	42	0%	1
Photographic lithographic and related workers, permanent	2	1	50%	0
Quantity surveyors & related prof not class elsewhere, permanent	1	1	0%	0
Risk management and security services, permanent	2	1	50%	0
Road superintendents, permanent	8	7	12.5%	0
Road workers, permanent	503	303	39.8%	0
Secretaries & other keyboard operating clerks, Permanent	61	44	27.9	0
Security guards, Permanent	1	44	27.9%	0
Senior managers, Permanent	42	31	26.2%	0
Statisticians and related professionals, Permanent	3	3	0%	0
Trade labourers, permanent	17	15	11.8%	0
Trade Related, permanent	8	2	75%	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Trade/industry advisers & other related profession, permanent	2	2	0%	0
Water plant and related operators, Permanent	8	8	0%	0
Total	**2, 237**	**1, 609**	**28.10%**	**46**

3.3. Filling of SMS Posts

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	01	01	100%	0	0%
Salary Level 16	01	01	100%	0	0%
Salary Level 15	04	01	25%	03	75%
Salary Level 14	10	06	60%	04	40%
Salary Level 13	33	29	89%	04	12%
Total	49	38	75%	11	22%

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	01	01	100%	00	0%

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
Salary Level 16	01	01	100%	00	0%
Salary Level 15	04	02	50%	02	50%
Salary Level 14	10	08		02	
Salary Level 13	33	29		04	
Total	**49**	**41**		**08**	

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

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	0,00	0,00	0,00
Salary Level 16	0,00	0,00	0,00
Salary Level 15	0,00	0,00	0,00
Salary Level 14	0,00	0,00	0,00
Salary Level 13	0,00	0,00	0,00
Total	**0,00**	**0,00**	**0,00**

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 and 31 March 2021

Reasons for vacancies not advertised within six months
The Department is currently in the process of restructuring and realigning its organisational structure

Reasons for vacancies not filled within twelve months
The Department is currently in the process of restructuring and realigning its organisational structure. Once the structure is finalized, all critical posts will be filled through the recruitment process

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 and 31 March 2021

Reasons for vacancies not advertised within six months
The Department is currently in the process of restructuring and realigning its organisational structure. Once the structure is finalized, all critical posts will be filled through the recruitment process

Reasons for vacancies not filled within six months
The Department is currently in the process of restructuring and realigning its organisational structure. Once the structure is finalized, all critical posts will be filled through the recruitment process

3.4. Job Evaluation

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

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels1-2)	107	12	8%	0	0	10	83%
Skilled (Levels 3-5)	973	599	62%	425	71%	144	24%
Highly skilled production (Levels 6-8)	727	5	0.7%	0	0	5	100%
Highly skilled supervision (Levels 9-12)	328	00	00	00	00	00	00
Senior Management Service Band A	34	00	00	00	00	00	00
Senior Management Service Band B	10	00	00	00	00	00	00
Senior Management Service Band C	5	00	00	00	00	00	00
Senior Management Service Band D	01	00	00	00	00	00	00
11 Contract (Levels 3-5)	01	00	00	00	00	00	00
12 Contract (Levels 6-8)	17	00	00	00	00	00	00
13 Contract (Levels 9-12)	30	00	00	00	00	00	00
14 Contract Band A	03	00	00	00	00	00	00
17 Contract Band D	01	00	00	00	00	00	00
Total	2237	616	28%	425	70%	159	26%

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
Senior Management Service Band A	34	26		00		00	
Senior Management Service Band B	10	09		00		00	
Senior Management Service Band C	5	02		00		00	
Senior Management Service Band D	01	00		00		00	
11 Contract (Levels 3-5)	01	00		00		00	
12 Contract (Levels 6-8)	17	00		00		00	
13 Contract (Levels 9-12)	30	00		00		00	
14 Contract Band A	03	00		00		00	
17 Contract Band D	01	00		00		00	
Total	**2, 237**	**1, 547**		**425**		**108**	

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2020 and 31 March 2021

Gender	African	Asian	Coloured	White	Total
Female	55	00	00	00	55
Male	219	00	00	02	221
Total	**276**	**00**	**00**	**02**	**276**

Employees with a disability	**0**

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2020 and 31 March 2021

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Senior officials and managers	0	0	0	0
Professionals	0	0	0	0
Technicians and associate professionals	0	0	0	0
clerks	0	0	0	0
Service shop and market sales workers	0	0	0	0
Craft and related trade workers	0	0	0	0
Plant and machine	0	0	0	0
operators and assemblers				
Labourers and related workers	0	0	0	0
Road Superintendent	3	8	9	The posts were never evaluated before
Driver Operator (Earth Moving Equipment)	34	3	4&5	The posts were never evaluated before
Road Worker Foreman	18	5	6,7,9	The posts were never evaluated before
Messenger	7	2	3&4	The posts were never evaluated before
Food Aid	1	2	5	The posts were never evaluated before
Total number of employees whose salaries exceeded the level determined by job evaluation				63
Percentage of total employed				2.8%

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

Gender	African	Asian	Coloured	White	Total
Female	9	0	0	0	9
Male	43	0	1	10	54
Total	52	0	1	10	63

Employees with a disability	0	0	0	0	0

Total number of Employees whose salaries exceeded the grades determine by job evaluation	63

3.5. Employment Changes

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

Salary band	Number of employees at beginning of period-1 April 2020	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	204,00	0,00	0,00	0,00
Skilled (Levels3-5)	639,00	0,00	50,00	7,80
Highly skilled production (Levels 6-8)	543,00	1,00	20,00	3,70
Highly skilled supervision (Levels 9-12)	211,00	0,00	7,00	3,30
Senior Management Service Bands A	32,00	0,00	2,00	6,30
Senior Management Service Bands B	6,00	0,00	0,00	0,00
Senior Management Service Bands C	3,00	0,00	1,00	33,30

Senior Management Service Bands D	1,00	0,00	0,00	0,00
Contract (Levels 3-5) Permanent	1,00	0,00	0,00	0,00
Contract (Levels 6-8) Permanent	15,00	2,00	0,00	0,00
Contract (Levels 9-12) Permanent	17,00	12,00	0,00	0,00
Contract Band A Permanent	2,00	1,00	0,00	0,00
Contract Band D Permanent	0,00	1,00	0,00	0,00
Total	**1, 674,00**	**17,00**	**80,00**	**4,80**

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

Critical occupation	Number of employees at beginning of period-April 2020	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative Related Permanent	171,00	0,00	7,00	4,10
All Artisans in The Building Metal Machinery Etc. Permanent	10,00	0,00	1,00	10,00
Artisan Project and Related Superintendents Permanent	1,00	0,00	0,00	0,00
Attorneys Permanent	26,00	0,00	2,00	7,70
Authors Journalists and Other Writers Permanent	2,00	0,00	0,00	0,00
Auxiliary and Related Workers Permanent	1,00	0,00	0,00	0,00
Building and Other Property Caretakers Permanent	38,00	0,00	1,00	2,60
Bus and Heavy Vehicle Drivers Permanent	4,00	0,00	0,00	0,00
Cartographers and Surveyors Permanent	6,00	0,00	0,00	0,00
Cartographic Surveying and Related Technicians Permanent	1,00	0,00	1,00	100,00
Civil Engineering Technicians Permanent	2,00	0,00	0,00	0,00

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
Cleaners In Offices Workshops Hospitals Etc. Permanent	89,00	0,00	1,00	1,10
Client Inform Clerks (Switchb Recept Inform Clerks) Permanent	4,00	0,00	1,00	25,00
Communication and Information Related Permanent	3,00	0,00	0,00	0,00
Computer System Designers and Analysts. Permanent	6,00	0,00	1,00	16,70
Economists Permanent	1,00	0,00	0,00	0,00
Engineering Sciences Related Permanent	13,00	1,00	0,00	0,00
Engineers and Related Professionals Permanent	65,00	12,00	2,00	3,10
Finance and Economics Related Permanent	17,00	1,00	0,00	0,00
Financial and Related Professionals Permanent	9,00	0,00	1,00	11,10
Financial Clerks and Credit Controllers Permanent	46,00	0,00	1,00	2,20
General Legal Administration & Rel. Professionals Permanent	1,00	0,00	0,00	0,00
Head of Department/Chief Executive Officer Permanent	0,00	1,00	0,00	0,00
Human Resources & Organisat Developm & Relate Prof Permanent	36,00	0,00	0,00	0,00
Human Resources Clerks Permanent	18,00	0,00	0,00	0,00
Human Resources Related Permanent	18,00	0,00	0,00	0,00
Identification Experts Permanent	1,00	0,00	0,00	0,00
Information Technology Related Permanent	4,00	0,00	0,00	0,00
Language Practitioners Interpreters & Other Commun Permanent	1,00	0,00	0,00	0,00
Legal Related Permanent	3,00	0,00	0,00	0,00
Library Mail and Related Clerks Permanent	14,00	0,00	0,00	0,00
Light Vehicle Drivers Permanent	4,00	0,00	2,00	50,00

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
Logistical Support Personnel Permanent	2,00	0,00	0,00	0,00
Material-Recording and Transport Clerks Permanent	15,00	0,00	0,00	0,00
Messengers Porters and Deliverers Permanent	23,00	0,00	0,00	0,00
Motor Vehicle Drivers Permanent	3,00	0,00	0,00	0,00
Other Administrat & Related Clerks and Organisers Permanent	314,00	0,00	4,00	1,30
Other Administrative Policy and Related Officers Permanent	159,00	0,00	6,00	3,80
Other Information Technology Personnel. Permanent	20,00	0,00	0,00	0,00
Other Occupations Permanent	49,00	0,00	7,00	14,30
Photographic Lithographic and Related Workers Permanent	1,00	0,00	0,00	0,00
Quantity Surveyors & Rela Prof Not Class Elsewhere Permanent	1,00	0,00	0,00	0,00
Risk Management and Security Services Permanent	1,00	0,00	0,00	0,00
Road Superintendents Permanent	8,00	0,00	1,00	12,50
Road Trade Workers. Permanent	11,00	0,00	0,00	0,00
Road Workers Permanent	339,00	0,00	35,00	10,30
Secretaries & Other Keyboard Operating Clerks Permanent	45,00	1,00	1,00	2,20
Security Guards Permanent	1,00	0,00	0,00	0,00
Senior Managers Permanent	31,00	1,00	2,00	6,50
Statisticians And Related Professionals Permanent	3,00	0,00	0,00	0,00
Trade Labourers Permanent	17,00	0,00	2,00	11,80
Trade Related Permanent	4,00	0,00	1,00	25,00
Water Plant and Related Operators Permanent	8,00	0,00	0,00	0,00
Total	**1, 674,00**	**17,00**	**80,00**	**4,80**

Table 3.5.3 Reasons why staff left the department for the period 1 April 2020 and 31 March 2021

Termination Type	Number	% of Total Resignations
Death	21,00	25,92
Resignation	35,00	43,21
Expiry of contract	0	0
Dismissal – operational changes	0	0
Dismissal – misconduct	0	0
Dismissal – inefficiency	0	0
Discharged due to ill-health	2,00	2,47
Retirement	22,00	27,16
Transfer to other Public Service Departments	1,0	1,24
Other	0	0
Total	**81**	**100,00**
Total number of employees who left as a % of total employment	**81**	**5,03**

Table 3.5.4 Promotions by critical occupation for the period 1 April 2020 and 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
Administrative Related	171,00	0,00	0,00	112,00	65,50
All Artisans in The Building Metal Machinery Etc.	10,00	0,00	0,00	3,00	30,00
Architects Town and Traffic Planners	1,00	0,00	0,00	1,00	100,00

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
Artisan Project and Related Superintendents	26,00	0,00	0,00	15,00	57,70
Attorneys	2,00	0,00	0,00	0,00	0,00
Authors Journalists and Other Writers	1,00	0,00	0,00	1,00	100,00
Auxiliary and Related Workers	38,00	0,00	0,00	28,00	73,70
Building and Other Property Caretakers	4,00	0,00	0,00	0,00	0,00
Bus and Heavy Vehicle Drivers	6,00	0,00	0,00	2,00	33,30
Cartographers and Surveyors	2,00	0,00	0,00	2,00	100,00
Cartographic Surveying and Related Technicians	1,00	0,00	0,00	1,00	100,00
Civil Engineering Technicians	2,00	0,00	0,00	0,00	0,00
Cleaners in Offices Workshops Hospitals Etc.	89,00	0,00	0,00	79,00	88,80
Client Inform Clerks (Switch Receipt Inform Clerks)	4,00	0,00	0,00	1,00	25,00
Communication and Information Related	3,00	0,00	0,00	3,00	100,00
Computer System Designers and Analysts.	6,00	0,00	0,00	5,00	83,30
Economists	1,00	0,00	0,00	0,00	0,00

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
Engineering Sciences Related	13,00	0,00	0,00	7,00	53,80
Engineers and Related Professionals	65,00	0,00	0,00	29,00	44,60
Finance and Economics Related	17,00	0,00	0,00	9,00	52,90
Financial and Related Professionals	9,00	0,00	0,00	8,00	88,90
Financial Clerks and Credit Controllers	46,00	0,00	0,00	34,00	73,90
General Legal Administration & Rel. Professionals	1,00	0,00	0,00	0,00	0,00
Human Resources & Organisat Developm & Relate Prof	36,00	1,00	2,80	28,00	77,80
Human Resources Clerks	18,00	0,00	0,00	11,00	61,10
Human Resources Related	18,00	0,00	0,00	11,00	61,10
Identification Experts	1,00	0,00	0,00	0,00	0,00
Information Technology Related	4,00	0,00	0,00	2,00	50,00
Language Practitioners Interpreters & Other Commun	1,00	0,00	0,00	0,00	0,00
Legal Related	3,00	0,00	0,00	2,00	66,70
Library Mail and Related Clerks	14,00	0,00	0,00	9,00	64,30

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
Light Vehicle Drivers	4,00	0,00	0,00	2,00	50,00
Logistical Support Personnel	2,00	0,00	0,00	1,00	50,00
Material-Recording and Transport Clerks	15,00	0,00	0,00	9,00	60,00
Messengers Porters and Deliverers	23,00	0,00	0,00	12,00	52,20
Motor Vehicle Drivers	3,00	0,00	0,00	3,00	100,00
Other Administrat & Related Clerks and Organisers	314,00	0,00	0,00	212,00	67,50
Other Administrative Policy and Related Officers	159,00	0,00	0,00	97,00	61,00
Other Information Technology Personnel.	20,00	0,00	0,00	18,00	90,00
Other Occupations	49,00	0,00	0,00	12,00	24,50
Photographic Lithographic and Related Workers	1,00	0,00	0,00	0,00	0,00
Quantity Surveyors & Rela Prof Not Class Elsewhere	1,00	0,00	0,00	1,00	100,00
Risk Management and Security Services	1,00	0,00	0,00	1,00	100,00
Road Superintendents	8,00	0,00	0,00	7,00	87,50
Road Trade Workers.	11,00	0,00	0,00	11,00	100,00
Road Workers	339,00	0,00	0,00	50,00	14,70

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
Secretaries & Other Keyboard Operating Clerks	45,00	0,00	0,00	33,00	73,30
Security Guards	1,00	0,00	0,00	0,00	0,00
Senior Managers	31,00	0,00	0,00	13,00	41,90
Statisticians and Related Professionals	3,00	0,00	0,00	3,00	100,00
Trade Labourers	17,00	0,00	0,00	8,00	47,10
Trade Related	4,00	0,00	0,00	2,00	50,00
Trade/Industry Advisers & Other Related Profession	2,00	0,00	0,00	0,00	0,00
Water Plant and Related Operators	8,00	0,00	0,00	7,00	87,50
Total	**1, 674,00**	**1,0**	**0,10**	**905,00**	**54,10**

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

Salary Band	Employees 1 April 2020	Promotions to another salary level	Salary 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)	204,00	0,00	0,00	78,00	38,20
Skilled (Levels3-5)	639,00	0,00	0,00	302,00	47,30
Highly skilled production (Levels 6-8)	543,00	0,00	0,00	374,00	68,90
Highly skilled supervision (Levels 9-12)	211,00	1,00	0,50	123,00	58,30

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
Senior Management (Level 13-16)	42,00	0,00	0,00	18,00	42,90
Contract (Levels 3-5), Permanent	1,00	0,00	0,00	0,00	0,00
Contract (Levels 6-8), Permanent	15,00	0,00	0,00	2,00	13,30
Contract (Levels 9-12), Permanent	17,00	0,00	0,00	8,00	47,10
Contract (Levels >= 13), Permanent	2,00	0,00	0,00	0,00	0,00
Total	**1, 674,00**	**1,00**	**0,10**	**905,00**	**54,10**

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	21	1	2	0	14	3	2	1	44
Professionals	91	5	3	19	93	0	3	10	224
Technicians and associate professionals	213	4	1	19	275	9	4	30	555
Clerks	412	5	0	8	179	5	2	6	617
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Plant and machine operators and assemblers	27	0	0	0	14	0	0	0	41
Elementary occupations	122	1	0	0	82	1	0	0	162
Total	**886**	**16**	**6**	**46**	**656**	**18**	**11**	**4**	**1, 643**
Employees with disabilities	**4**	**1**	**0**	**1**	**2**	**0**	**0**	**0**	**8**

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	0	1	0	0	2
Senior Management	12	1	2	0	13	0	2	1	31
Professionally qualified and experienced specialists and mid-management	105	1	3	9	89	0	3	7	217
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	164	6	0	9	156	7	4	14	360
Semi-skilled and discretionary decision making	210	5	1	17	258	9	3	22	525
Unskilled and defined decision making	324	3	0	11	132	1	0	3	474
Total	**817**	**16**	**6**	**46**	**649**	**18**	**11**	**46**	**1, 609**

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	1,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00
Senior Management	0,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	1,00
Professionally qualified and experienced specialists and mid-management	10,00	0,00	0,00	0,00	2,00	0,00	0,00	0,00	12,00
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	2,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	2,00
Semi-skilled and discretionary decision making	0,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	1,00
Unskilled and defined decision making									
Total	**13,00**	**0,00**	**0,00**	**0,00**	**4,00**	**0,00**	**0,00**	**0,00**	**17,00**
Employees with disabilities	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**

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	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Senior Management	7,00	0,00	1,00	0,00	8,00	1,00	1,00	0,00	18,00
Professionally qualified and experienced specialists and mid-management	47,00	2,00	1,00	11,00	56,00	0,00	1,00	6,00	124,00
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	155,00	2,00	1,00	10,00	177,00	6,00	2,00	21,00	374,00
Semi-skilled and discretionary decision making	166,00	4,00	0,00	5,00	117,00	5,00	1,00	4,00	302,00
Unskilled and defined decision making	25,00	1,00	0,00	0,00	51,00	1,00	0,00	0,00	78,00
Contract (Professionally qualified), Permanent	5,00	0,00	0,00	0,00	2,00	0,00	0,00	1,00	8,00
Contract (Skilled technical), Permanent	2,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	2,00
Total	407,00	9,00	3,00	26,00	411,00	13,00	5,00	32,00	906,00
Employees with disabilities	**2,00**	**0,00**	**0,00**	**1,00**	**1,00**	**0,00**	**0,00**	**0,00**	**4,00**

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	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Senior Management	1,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	2,00
Professionally qualified and experienced specialists and mid-management	3,00	0,00	0,00	1,00	2,00	1,00	0,00	0,00	7,00
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	8,00	0,00	0,00	2,00	9,00	0,00	0,00	1,00	20,00
Semi-skilled and discretionary decision making	46,00	0,00	0,00	1,00	2,00	0,00	0,00	1,00	50,00
Unskilled and defined decision making	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total	**58,00**	**0,00**	**0,00**	**5,00**	**15,00**	**1,00**	**0,00**	**2,00**	**79,00**
Employees with Disabilities	**0,00**	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00

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	
	0	**0**	**0**	**0**	**2**	**0**	**0**	**0**	**2**

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	17	1	0	0	20	3	1	0	42
Professionals	22	1	4	1	22	0	2	1	53
Technicians and associate professionals	2	0	0	0	3	0	0	0	5
Clerks	2	0	0	0	4	0	0	1	7
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	32	0	0	0	7	0	0	0	39
Elementary occupations	0	0	0	0	0	0	0	0	0
Total	**75**	**2**	**4**	**1**	**56**	**3**	**3**	**2**	**146**
Employees with disabilities	**1**	0	0	0	**1**	0	0	0	0

3.8. Performance Rewards

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					
• Male	432.99	813.00	53.30	2 230.61	5 152.00
• Female	344.99	646.00	53.40	2 156.27	6 250.00
Asian					
• Male	4.00	6.00	66.70	72.03	18 007.00
• Female	1.00	11.00	9.10	13.11	13 113.00
Coloured					
• Male	6.99	15.00	46.60	59.94	8 576.00
• Female	7.99	18.00	44.40	69.57	8 707.00
White					
• Male	23.99	45.00	53.30	206.42	8 604.00
• Female	27.00	46.00	58.70	184.37	6 828.00
Employees with a disability	3.00	9.00	33.30	34.13	11 378.00
Total	**851.95**	**1, 609.00**	**52.90**	**5, 026.46**	**5, 900.00**

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)	76.00	84.00	90.50	127.78	1 681.00	
Skilled (level 3-5)	351.00	704.00	49.90	1 222.10	3 482.00	
Highly skilled production (level 6-8)	332.97	525.00	63.40	2 484.28	7 461.00	
Highly skilled supervision (level 9-12)	89.98	205.00	43.90	1, 43.67	12, 710.00	
Contract (level 3-5)	0.00	1.00	0.00	0.00	0.00	
Contract (level 6-8)	0.00	17.00	0.00	0.00	0.00	
Contract (level 9-12)	2.00	30.00	6.70	48.62	24, 312.00	
Total	**851.95**	**1, 566.00**	**54.40**	**5, 026.46**	**5, 900.00**	

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2020to 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
Financial Clerks and Credit Controllers	29.00	45.00	64.40	143.47	4, 947.00
Human Resources Clerks	3.00	18.00	16.70	22.67	7, 558.00
Messengers Porters and Deliverers	10.00	23.00	43.50	26.85	2, 685.00
Human Resources & Organisat Developm & Relate Prof	18.00	36.00	50.00	128.30	7, 128.00
All Artisans in The Building Metal Machinery Etc.	6.00	9.00	66.70	36.01	6, 001.00

Risk Management and Security Services	1.00	1.00	100.00	14.44	14, 441.00
Road Trade Workers.	8.00	11.00	72.70	53.30	6, 663.00
Photographic Lithographic and Related Workers	0.00	1.00	0.00	0.00	0.00
Finance and Economics Related	6.00	17.00	35.30	77.03	12, 838.00
Logistical Support Personnel	1.00	2.00	50.00	6.82	6, 818.00
Other Administrat & Related Clerks and Organisers	159.00	310.00	51.30	789.53	4, 966.00
Identification Experts	0.99	1.00	99.00	30.85	31, 162.00
Auxiliary and Related Workers	24.00	37.00	64.90	67.61	2, 817.00
Other Occupations	28.99	42.00	69.00	129.82	4, 478.00
Legal Related	2.00	2.00	100.00	28.24	14, 119.00
Financial and Related Professionals	7.00	8.00	87.50	69.17	9, 882.00
Building and Other Property Caretakers	4.00	4.00	100.00	15.77	3, 942.00
Water Plant and Related Operators	7.00	8.00	87.50	31.45	4, 493.00
Architects Town and Traffic Planners	0.00	1.00	0.00	0.00	0.00
Administrative Related	89.99	165.00	54.50	806.61	8, 963.00
Communication and Information Related	2.00	3.00	66.70	23.75	11, 873.00
Secretaries & Other Keyboard Operating Clerks	23.00	44.00	52.30	133.55	5, 806.00
Library Mail and Related Clerks	8.00	14.00	57.10	54.14	6, 768.00
Cleaners in Offices Workshops Hospitals Etc.	77.00	88.00	87.50	135.41	1, 759.00
Human Resources Related	9.99	18.00	55.50	128.17	12, 830.00

Attorneys	2.00	2.00	100.00	88.98	44, 492.00
Trade/Industry Advisers & Other Related Profession	0.00	2.00	0.00	0.00	0.00
Head of Department/Chief Executive Officer	0.00	1.00	0.00	0.00	0.00
Trade Labourers	8.00	15.00	53.30	20.88	2, 610.00
Language Practitioners Interpreters & Other Commun	0.00	1.00	0.00	0.00	0.00
Road Superintendents	7.00	7.00	100.00	87.22	12, 460.00
General Legal Administration & Rel. Professionals	1.00	1.00	100.00	8.64	8, 637.00
Civil Engineering Technicians	1.00	2.00	50.00	17.01	17, 011.00
Road Workers	138.00	303.00	45.50	401.32	2, 908.00
Material-Recording and Transport Clerks	11.00	15.00	73.30	56.84	5, 167.00
Other Administrative Policy and Related Officers	88.99	154.00	57.80	814.26	9, 150.00
Artisan Project and Related Superintendents	16.00	24.00	66.70	73.00	4, 563.00
Statisticians and Related Professionals	1.00	3.00	33.30	6.14	6, 143.00
Bus and Heavy Vehicle Drivers	2.00	6.00	33.30	4.67	2, 335.00
Senior Managers	0.00	31.00	0.00	0.00	0.00
Client Inform Clerks(Switchb Recept Inform Clerks)	1.00	3.00	33.30	2.41	2, 405.00
Computer System Designers and Analysts.	5.00	5.00	100.00	45.65	9, 130.00
Authors Journalists and Other Writers	0.00	1.00	0.00	0.00	0.00
Economists	0.00	1.00	0.00	0.00	0.00
Engineers and Related Professionals	14.00	75.00	18.70	139.12	9, 937.00
Cartographers and	0.00	2.00	0.00	0.00	0.00

3.9. Foreign Workers

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

Salary band	01 April 2020		31 March 2021		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	1,00	25,00	1,00	33,30	0,00	0,00
Highly skilled production (Lev. 6-8)	0,00	0,00	0,00	0,00	0,00	0,00
Highly skilled supervision (Lev. 9-12)	2,00	50,00	1,00	33,30	-1,00	50,00
Contract (level 9-12)	0,00	0,00	0,00	0,00	0,00	0,00
Contract (level 13-16)	1,00	25,00	1,00	33,30	**0,00**	**0,00**
Total	**4,00**	**100,00**	**3,00**	**100,00**	**-1,00**	**25,00**

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

Major occupation	01 April 2020		31 March 2021		Change	
	Number	% of total	Number	% of total	Number	% Change
Elementary occupations	1,00	25,00	1,00	33.30	0,00	0,00
Professionals and managers						
Elementary occupations	3,00	75,00	2,00	66.70	-1,00	25,00
Professionals and managers						

3.10. **Leave utilisation.**

Table 3.10.1 Sick leave for the period 1 January 2020 to 31 December 2021

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	359,00	82,70	80,00	14,40	4,00	201,00
Skilled (levels 3-5)	865,00	81,00	227,00	40,80	4,00	761,00
Highly skilled production (levels 6-8)	855,00	82,30	174,00	31,30	5,00	1 311,00
Highly skilled supervision (levels 9 -12)	308,00	80,20	62,00	11,20	5,00	839,00
Top and Senior management (levels 13-16)	101,00	87,10	12,00	2,20	8,00	512,00
Contract (Levels 6-8)	2,00	0,00	1,00	0,20	2,00	3,00
Total	**2, 490,00**	**81,80**	**556,00**	**100,00**	**4,00**	**3, 628,00**

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 Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	50,00	100,00	4,00	0,25	12,50	23, 891,00
Skilled (Levels 3-5)	41,00	100,00	5,00	0,31	8,20	43, 279,00
Highly skilled production (Levels 6-8)	163,00	100,00	6,00	0,37	27,16	332, 366,00

Highly skilled supervision (Levels 9-12)	288,00	100,00	4,00	0,25	72,00	49, 4816,00
Senior management (Levels 13-16)	352,00	100,00	1,00	0.06	352,00	1, 608 145,00
Total	**894,00**	**100,00**	**20,00**	**1,24**	**49,20**	**2, 502 496,00**

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)	2, 783,00	202,00	14,00
Skilled Levels 3-5)	9, 012,00	636,00	14,00
Highly skilled production (Levels 6-8)	7, 292,00	543,00	13,00
Highly skilled supervision (Levels 9-12)	3, 530,00	210,00	17,00
Senior management (Levels 13-16)	741,00	44,00	17,00
Contract (Levels 13-16)	17,00	3,00	6,00
Contract (Levels 3-5)	4,00	1,00	4,00
Contract (Levels 6-8)	151,00	15,00	10,00
Contract (Levels 9-12)	144,00	27,00	5,00
Total	**23, 674,00**	**1681**	**14,00**

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)	0,00	0,00	0,00	0,00
Skilled Levels 3-5)	0,00	0,00	0,00	0,00
Highly skilled production (Levels 6-8)	0,00	0,00	0,00	0,00
Highly skilled supervision (Levels 9-12)	0,00	0,00	0,00	0,00
Senior management (Levels 13-16)	3,00	1,00	3,00	31,00
Total	**3,00**	**1,00**	**3,00**	**31,00**

Table 3.10.5 Leave payouts for the period 1 April 2020 and 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	0,00	0,00	0,00
Capped leave payouts on termination of service for 2020/21	1, 677,00	21,00	79,85
Current leave payout on termination of service for 2020/21	2, 179,00	64,00	34,04
Total	**3, 856,00**	**85,00**	**45,36**

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
Road Workers	Provision of condoms and IEC material

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

Question	Yes	No	Details, if yes
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	X		Director: HRP&A
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.	X		EHW Sub-directorate
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.	X		HIV/AIDS Management, OHS Management, Health and Productivity Management and Wellness Management
4. Has the Department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	X		Mr Sekawana (Chairperson), all Chief Directors, PSA and NEHAWU representatives
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		X	

reviewed.			
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.	X		Provision of counselling. Stigma and Discrimination protocol.
7. Does the Department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	X		Due to COVID-19 there was no HCT
8. Has the Department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	X		Climate Survey conducted every 3 years

3.12. Labour Relations

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

Subject matter	Date
None	Not applicable

Total number of Collective agreements	None

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2020 and 31 March 2021

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning	0	0
Final written warning	0	0
Suspended without pay	0	0
Fine	0	0
Demotion	0	0

Dismissal	0	0
Not guilty	0	0
Case withdrawn	0	0
Total	**0**	**0**

Notes

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

Total number of Disciplinary hearings finalised	None

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

Type of misconduct	Number	% of total
Assault	1	50%
Assault	1	50%
Total	**2**	**100%**

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

Grievances	Number	% of Total
Number of grievances resolved	4	57
Number of grievances not resolved	3	43
Total number of grievances lodged	**7**	**100%**

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

Disputes	Number	% of Total
Number of disputes upheld	1	10%

Number of disputes dismissed	0	0
Total number of disputes lodged	**10**	

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

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

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

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

3.13. Skills development

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

Occupational category	Gender	Number of employees as at 1 April 2020	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	**Female**	20	0	20	0	20
	Male	19	0	19	0	19
Professionals	**Female**	0	0	0	0	0
	Male	0	0	0	0	0
Technicians and associate professionals	**Female**	300	0	300	0	300
	Male	180	0	180	0	180

Clerks	**Female**	24	0	24	0	24
	Male	28	0	28	0	28
Service and sales workers	**Female**	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	**Female**	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	**Female**	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	**Female**	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	**Female**	2	0	2	0	2
	Male	0	0	0	0	0
Sub Total	**Female**	346	0	0	0	346
	Male	227	0	0	0	227
Total		**573**	**0**	**0**	**0**	**573**

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

Occupational category	**Gender**	**Number of employees as at 1 April 2020**	**Training provided within the reporting period**			
			Learnerships	**Skills Programmes & other short courses**	**Other forms of training**	**Total**
Legislators, senior officials and managers	**Female**		0		24	0
	Male		0	2	16	0
Professionals	**Female**		0	23	2	0
	Male		0	28	0	0

Technicians and associate professionals	**Female**		0	3	0	0
	Male		0	2	0	0
Clerks	**Female**		0	5	0	0
	Male		0	2	0	0
Service and sales workers	**Female**		0	0	0	0
	Male		0	0	0	0
Skilled agriculture and fishery workers	**Female**		0	0	0	0
	Male		0	0	0	0
Craft and related trades workers	**Female**		0	0	0	0
	Male		0	0	0	0
Plant and machine operators and assemblers	**Female**		0	0	7	0
	Male		0	0	32	0
Elementary occupations	**Female**		0	0	0	0
	Male		0	0	0	0
Sub Total	**Female**		0	0	0	0
	Male		0	0	0	0
Total			0	65	81	0

3.14. Injury on duty

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

Nature of injury on duty	Number	% of total
Required basic medical attention only	3	100%
Temporary Total Disablement	0	0.00%
Permanent Disablement	0	0,00%

Fatal	0	0.00%
Total	**3**	**100%**

3.15. Utilisation of Consultants

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2020 and 31 March 2021

Project title	Total number of consultants that worked on project	Duration (workdays)	Contract value in Rand
Policy and Procedure on incapacity leave and ill health retirement	1	12 Months	325, 155.14
SAQA	1	12 Months	12, 775.00
Management Integrity Evaluation PTY (MIE)	1	12 Months	22, 969.27

Total number of projects	Total individual consultants	Total duration Workdays	Total contract value in Rand

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

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
-	-	-	-
-	-	-	-

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

Project title	Total Number of consultants that worked on project	Duration (Workdays)	Donor and contract value in Rand
-	-	-	-
-	-	-	-

Total number of projects	Total individual consultants	Total duration Workdays	Total contract value in Rand
-	-	-	-
-	-	-	-

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

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
-	-	-	-
-	-	-	-

3.16. Severance Packages

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

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (Levels 1-2)	0,00	0,00	0,00	0,00
Skilled Levels 3-5)	0,00	0,00	0,00	0,00

Highly skilled production (Levels 6-8)	0,00	0,00	0,00	0,00
Highly skilled supervision(Levels 9-12)	0,00	0,00	0,00	0,00
Senior management (Levels 13-16)	0,00	0,00	0,00	0,00
Total	**0,00**	**0,00**	**0,00**	**0,00**

PART E:
FINANCIAL INFORMATION


EXIT
PRT
DSP
373 967
804 029
1 296 731
1 859 317
2 499 808
3 227 076
4 050 935
R 28 331

Report of the auditor-general to the Gauteng Provincial Legislature on vote no. 9: Gauteng Department of Roads and Transport

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Gauteng Department of Roads and Transport set out on pages 256 to 334, 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 Gauteng Department of Roads and Transport 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 4 of 2020 (Dora).

Basis for opinion

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

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

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

Emphasis of matters

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

Material uncertainties related to contingent liabilities

7. With reference to note 18.1 to the financial statements, the department is the defendant in various lawsuits. The ultimate outcome of the matters could not be determined and no provision for any liability that may result was made in the financial statements.

Underspending of vote

8. As disclosed in the appropriation statement, the department materially underspent the budget by R1 255 934 000 on the following programmes:

    - Programme 1 – administration, underspending of R20 055 000
    - Programme 2 – transport infrastructure, underspending of R391 898 000
    - Programme 3 – transport operations, underspending of R771 013 000
    - Programme 4 – transport regulations, underspending of R72 968 000

Responsibilities of the accounting officer for the financial statements

9. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS prescribed by the National Treasury 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.

10. 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

11. 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.

12. 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

13. 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 the selected programme presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

14. 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.

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

Programme	Pages in the annual performance report
Programme 3 – transport operations	118-133

16. 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.

17. The material findings on the usefulness and reliability of the performance information of the selected programme are as follows:

Programme 3 – transport operations

% of subsidised bus contracts value allocated to previously disadvantaged public transport operators

18. The source of information and method of calculation for measuring the planned indicator was not clearly defined and related systems and processes were not adequate to enable consistent measurement and reliable reporting of performance against the predetermined indicator definitions. As a result, limitations were placed on the scope of my work and I was unable to audit the reliability of the achievement of zero reported against the target of subsidy empowerment model piloted with previously disadvantaged public transport operators in the annual performance report.

Other matter

19. I draw attention to the matter below.

Achievement of planned targets

20. Refer to the annual performance report on pages 65 to 148 for information on the achievement of planned targets for the year and management's explanations provided for the under/over-achievement of targets. This information should be considered in the context of the material finding on the usefulness and reliability of the reported performance information in paragraph 18 of this report.

Report on the audit of compliance with legislation

Introduction and scope

21. 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.

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

Procurement and contract management

23. I was unable to obtain sufficient appropriate audit evidence that all contracts were awarded in accordance with legislative requirements as management indicated that the supporting evidence kept at their regional offices was destroyed during floods.

Other information

24. 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.

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

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

27. The other information I obtained prior to the date of the auditor's report is a draft of the 2020-21 annual report. The final 2020-21 annual report is expected to be made available to me after 15 August 2021.

28. If, based on the work I have performed on the other information that I obtained prior the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

29. When I do receive and read the final 2020-21 annual report, and 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

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

31. Senior management did not adequately exercise oversight responsibility regarding performance reporting and compliance with legislation. The department did not have sufficient monitoring and reviewing controls to ensure that performance reports submitted for auditing were accurate and complete and that action plans developed were adequately and timeously implemented.

32. Senior management did not adequately review and monitor compliance with applicable laws and regulations.

Other reports

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

34. Various investigations were initiated by the department into allegations of possible unethical behaviour and allegations of procurement and contract management irregularities. These investigations were at various stages of completion at the date of this auditor's report.

Auditor-General

Johannesburg

15 August 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 the selected programme and on the department's compliance with respect to the selected subject matters.

Financial statements

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

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

Communication with those charged with governance

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

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

GAUTENG PROVINCE
ROADS AND TRANSPORT
REPUBLIC OF SOUTH AFRICA

ANNUAL FINANCIAL STATEMENTS FOR GAUTENG DEPARTMENT OF ROADS AND TRANSPORT

For the year ended
31 March 2021

GAUTENG DEPARTMENT OF ROADS AND TRANSPORT
VOTE 9

ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2021

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GAUTENG DEPARTMENT OF ROADS AND TRANSPORT
VOTE 9

APPROPRIATION STATEMENT
for the year ended 31 March 2021

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									
ADMINISTRATION	327 033	-	7 900	334 933	314 878	20 055	94,0%	383 279	334 097
TRANSPORT INFRASTRUCTURE	2 190 519	-	(7 900)	2 182 619	1 790 721	391 898	82,0%	2 240 490	2 159 348
TRANSPORT OPERATIONS	2 854 953	-	-	2 854 953	2 083 940	771 013	73,0%	2 689 995	2 226 733
TRANSPORT REGULATION	324 733	-	-	324 733	251 765	72 968	77,5%	332 942	289 325
GAUTRAIN	2 680 758	-	-	2 680 758	2 680 758	-	100,0%	2 153 314	2 153 314
Total	**8 377 996**	**-**	**-**	**8 377 996**	**7 122 062**	**1 255 934**	**85,0%**	**7 800 020**	**7 162 817**
ADD									
Departmental receipts				4 406 585				4 196 215	
Actual amounts per statement of financial performance (total revenue)				**12 784 581**				**11 996 235**	
ADD									
Prior year unauthorised expenditure approved without funding									
Actual amounts per statement of financial performance (total expenditure)					**7 122 062**				**7 162 817**

GAUTENG DEPARTMENT OF ROADS AND TRANSPORT
VOTE 9

APPROPRIATION STATEMENT
for the year ended 31 March 2021

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
Economic classification									
Current payments	**2 305 554**	**(88 754)**	**-**	**2 216 800**	**1 880 960**	**335 840**	**84,9%**	**2 394 927**	**2 275 411**
Compensation of employees	769 687	-	-	769 687	705 571	64 116	91,7%	750 285	673 426
Salaries and wages	665 078	(1 314)	-	663 764	602 215	61 549	90,7%	632 434	573 264
Social contributions	104 609	1 314	-	105 923	103 356	2 567	97,6%	117 851	100 162
Goods and services	1 535 807	(88 754)	-	1 447 053	1 175 360	271 693	81,2%	1 644 442	1 601 968
Administrative fees	1 685	3 798	-	5 483	5 199	284	94,8%	4 001	3 912
Advertising	5 236	(3 852)	-	1 384	1 100	284	79,5%	3 992	3 245
Minor assets	2 553	(1 484)	-	1 069	241	828	22,5%	386	327
Audit costs: External	7 000	(973)	-	6 027	6 026	1	100,0%	7 705	7 706
Bursaries: Employees	500	(482)	-	18	17	1	94,4%	2 124	99
Catering: Departmental activities	471	(161)	-	310	306	4	98,7%	3 114	1 736
Communication	6 640	1 528	-	8 168	8 167	1	100,0%	12 312	8 775
Computer services	12 862	(516)	-	12 346	11 380	966	92,2%	28 514	27 717
Consultants: Business and advisory services	122 500	(24 792)	(7 413)	90 295	35 639	54 656	39,5%	53 773	38 128
Infrastructure and planning services	37 074	-	-	37 074	30 741	6 333	82,9%	28 985	26 985
Laboratory services	250	-	-	250	-	250	-	260	262
Legal services	11 000	1 440	7 413	19 853	16 431	3 422	82,8%	19 176	14 832
Contractors	1 109 479	(32 195)	-	1 077 284	916 017	161 267	85,0%	1 237 213	1 248 622
Agency and support / outsourced services	-	-	-	-	-	-	-	150	150
Fleet services	11 638	-	-	11 638	11 093	545	95,3%	10 487	8 988
Inventory: Clothing material and accessories	5 200	(4 119)	-	1 081	748	333	69,2%	2 016	2 016

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Inventory: Materials and supplies	17 355	(14 670)	-	2 685	2 581	104	96,1%	18 813	18 815
Inventory: Other supplies	5 040	-	-	5 040	1 762	3 278	35,0%	6 876	6 356
Consumable supplies	7 506	(1 742)	-	5 764	2 659	3 105	46,1%	1 715	1 677
Consumable: Stationery, printing and office supplies	59 844	665	-	60 509	29 392	31 117	48,6%	78 198	66 510
Operating leases	19 259	5 707	-	24 966	24 964	2	100,0%	26 653	25 265
Property payments	80 600	(16 630)	-	63 970	61 962	2 008	96,9%	66 228	60 594
Transport provided: Departmental activity	227	-	-	227	-	227	-	320	163
Travel and subsistence	9 828	(1 296)	-	8 532	5 997	2 535	70,3%	15 362	13 472
Training and development	150	-	-	150	141	9	94,0%	10 294	10 096
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	1 910	1 020	-	2 930	2 797	133	95,5%	5 775	5 520
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	60	-	-	60	29	31	48,3%	200	17
Interest	60	-	-	60	29	31	48,3%	200	17
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**5 439 297**	**23 505**	**-**	**5 462 802**	**4 721 913**	**740 889**	**86,4%**	**4 778 943**	**4 330 252**
Provinces and municipalities	2 800	-	-	2 800	2 076	724	74,1%	1 939	1 939
Municipalities	2 800	-	-	2 800	2 076	724	74,1%	1 939	1 939
Municipal bank accounts	2 800	-	-	2 800	2 076	724	74,1%	1 939	1 939
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	2 680 758	-	-	2 680 758	2 680 758	-	100,0%	2 153 314	2 153 314
Departmental agencies and accounts	2 680 758	-	-	2 680 758	2 680 758	-	100,0%	2 153 314	2 153 314
Public corporations and private enterprises	2 750 895	-	-	2 750 895	2 011 495	739 400	73,1%	2 615 700	2 167 575
Private enterprises	2 750 895	-	-	2 750 895	2 011 495	739 400	73,1%	2 615 700	2 167 575
Other transfers to private enterprises	2 750 895	-	-	2 750 895	2 011 495	739 400	73,1%	2 615 700	2 167 575
Non-profit institutions	-	20 000	-	20 000	20 000	-	100,0%	-	-
Households	4 844	3 505	-	8 349	7 584	765	90,8%	7 990	7 424

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Social benefits	4 179	4 170	-	8 349	4 080	4 269	48,9%	6 753	6 745
Other transfers to households	665	(665)	-	-	3 504	(3 504)	-	1 237	679
Payments for capital assets	**633 145**	**65 249**	**-**	**698 394**	**519 189**	**179 205**	**74,3%**	**626 134**	**557 138**
Buildings and other fixed structures	631 709	50 104	-	681 813	515 302	166 511	75,6%	601 555	544 246
Buildings	125	1 621	-	1 746	469	1 277	26,9%	3 216	2 716
Other fixed structures	631 584	48 483	-	680 067	514 833	165 234	75,7%	598 339	541 530
Machinery and equipment	845	15 145	-	15 990	3 836	12 154	24,0%	18 228	7 601
Transport equipment	(11 443)	15 000	-	3 557	779	2 778	21,9%	1 916	900
Other machinery and equipment	12 288	145	-	12 433	3 057	9 376	24,6%	16 312	6 701
Heritage assets	-	-	-	-	-	-	-	-	-
Intangible assets	591	-	-	591	51	540	8,6%	6 351	5 291
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**16**	**16**
Total	**8 377 996**	**-**	**-**	**8 377 996**	**7 122 062**	**1 255 934**	**85,0%**	**7 800 020**	**7 162 817**

APPROPRIATION STATEMENT
for the year ended 31 March 2021

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**	12 120	(985)	-	11 135	10 678	457	95,9%	14 068	13 348
2. **Management of The Department**	41 293	985	7 413	49 691	49 121	570	98,9%	35 532	29 915
3. **Corporate Support**	270 640	(212)	487	270 915	252 016	18 899	93,0%	330 131	287 814
4. **Departmental Strategy**	2 980	212	-	3 192	3 063	129	96,0%	3 548	3 020
Total for sub programmes	**327 033**	**-**	**7 900**	**334 933**	**314 878**	**20 055**	**94,0%**	**383 279**	**334 097**
Economic classification									
Current payments	**315 699**	**-**	**7 413**	**323 112**	**310 549**	**12 563**	**96,1%**	**367 867**	**326 069**
Compensation of employees	197 288	-	-	197 288	188 837	8 451	95,7%	202 514	181 413
Salaries and wages	172 734	(362)	-	172 372	164 373	7 999	95,4%	172 568	157 705
Social contributions	24 554	362	-	24 916	24 464	452	98,2%	29 946	23 708
Goods and services	118 411	-	7 413	125 824	121 712	4 112	96,7%	165 293	144 650
Administrative fees	1 440	3 800	-	5 240	5 199	41	99,2%	3 941	3 912
Advertising	3 048	(2 732)	-	316	167	149	52,8%	1 568	1 455
Minor assets	1 720	(1 484)	-	236	235	1	99,6%	152	170
Audit costs: External	7 000	(973)	-	6 027	6 026	1	100,0%	7 705	7 706
Bursaries: Employees	500	(482)	-	18	17	1	94,4%	2 124	99
Catering: Departmental activities	471	(260)	-	211	208	3	98,6%	2 905	1 616
Communication	6 040	2 095	-	8 135	8 134	1	100,0%	11 080	7 543
Computer services	11 860	(516)	-	11 344	11 343	1	100,0%	27 714	27 717

APPROPRIATION STATEMENT
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Consultants: Business and advisory services	19 999	(2 118)	-	17 881	17 513	368	97,9%	14 273	7 356
Legal services	3 500	1 326	7 413	12 239	12 237	2	100,0%	5 881	4 174
Contractors	2 500	(280)	-	2 220	2 219	1	100,0%	3 400	3 401
Fleet services	7 247	(1 782)	-	5 465	2 458	3 007	45,0%	5 434	5 434
Consumable supplies	1 850	650	-	2 500	2 483	17	99,3%	1 058	1 045
Consumable: Stationery, printing and office supplies	1 550	950	-	2 500	2 483	17	99,3%	3 579	3 042
Operating leases	46 900	3 007	-	49 907	49 906	1	100,0%	4 547	4 548
Property payments	227	-	-	227	-	227	-	50 700	47 800
Transport provided: Departmental activity	2 049	(1 236)	-	813	663	150	81,5%	320	163
Travel and subsistence	150	-	-	150	141	9	94,0%	3 348	2 347
Training and development	46 900	3 007	-	49 907	49 906	1	100,0%	10 294	10 096
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	1 910	985	-	2 895	2 763	132	95,4%	5 270	5 026
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	60	6
Interest	-	-	-	-	-	-	-	60	6
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**880**	**-**	**487**	**1 367**	**1 366**	**1**	**99,9%**	**2 482**	**2 254**
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	880	-	487	1 367	1 366	1	99,9%	2 482	2 254
Social benefits	880	-	487	1 367	1 366	1	99,9%	2 482	2 254
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	**10 454**	**-**	**-**	**10 454**	**2 963**	**7 491**	**28,3%**	**12 930**	**5 774**
Machinery and equipment	9 863	-	-	9 863	2 912	6 951	29,5%	12 370	5 274
Transport equipment	350	-	-	350	-	350	-	129	-
Other machinery and equipment	9 513	-	-	9 513	2 912	6 601	30,6%	12 241	5 274
Intangible assets	591	-	-	591	51	540	8,6%	560	500
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**327 033**	**-**	**7 900**	**334 933**	**314 878**	**20 055**	**94,0%**	**383 279**	**334 097**

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SUB PROGRAMME: 1.1: OFFICE OF THE MEC

	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	**12 120**	**(985)**	**-**	**11 135**	**10 678**	**457**	**95,9%**	**12 048**	**11 327**
Compensation of employees	10 573	-	-	10 573	10 435	138	98,7%	8 683	8 684
Salaries and wages	9 355			9 355	9 244	111	98,8%	7 671	7 671
Social contributions	1 218			1 218	1 191	27	97,8%	1 012	1 013
Goods and services	1 547	(985)	-	562	243	319	43,2%	3 365	2 643
Administrative fees	40			40	-	40	-	26	-
Advertising	50			50	-	50	-	-	-
Catering: Departmental activities	369	(300)		69	68	1	98,6%	350	106
Contractors				-	-	-	-	29	29
Fleet services	-	-	-	-	-	-	-	1 805	1 803
Consumable supplies	30			30	-	30	-	55	45
Consumable: Stationery, printing and office supplies	10			10	-	10	-	90	-
Transport provided: Departmental activity	127			127	-	127	-	120	58
Travel and subsistence	861	(685)		176	175	1	99,4%	328	239
Training and development				-	-	-	-	200	-
Operating payments				-	-	-	-	-	-
Venues and facilities	60			60	-	60	-	362	363
Transfers and subsidies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2 020**	**2 021**
Households	-	-	-	-	-	-	-	2 020	2 021
Social benefits	-	-	-	-	-	-	-	2 020	2 021
Payments for capital assets	-	-	-	-	-	-	-	**-**	**-**
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**12 120**	**(985)**	**-**	**11 135**	**10 678**	**457**	**95,9%**	**14 068**	**13 348**

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SUBPROGRAMME: 1.2: MANAGEMENT OF THE DEPARTMENT

	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	**41 293**	**985**	**7 413**	**49 691**	**49 121**	**570**	**98,9%**	**35 091**	**29 463**
Compensation of employees	23 067	-	-	23 067	22 965	102	99,6%	16 063	16 063
Salaries and wages	21 808	(209)		21 599	21 498	101	99,5%	14 723	14 724
Social contributions	1 259	209		1 468	1 467	1	99,9%	1 340	1 339
Goods and services	18 226	985	7 413	26 624	26 156	468	98,2%	19 028	13 400
Administrative fees	-			-	-	-	-	-	-
Advertising	48			48	-	48	-	100	87
Minor assets	-			-	-	-	-	14	30
Audit costs: External	-			-	-	-	-	-	-
Bursaries: Employees	-			-	-	-	-	-	-
Catering: Departmental activities	2	2		4	3	1	75,0%	145	36
Communication	-			-	-	-	-	-	-
Computer services	-			-	-	-	-	-	-
Consultants: Business and advisory services	16 999			16 999	16 632	367	97,8%	12 023	6 522
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-		7 413	7 413	7 412	1	100,0%	596	596
Fleet services	-			-	-	-	-	669	669
Consumable supplies	-			-	-	-	-	21	22
Consumable: Stationery, printing and office supplies	10	95		105	104	1	99,0%	422	410
Operating leases	-	-	-	-	-	-	-	1 330	1 330

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Property payments	-			-	-	-	-	-	-
Transport provided: Departmental activity	-			-	-	-	-	-	-
Travel and subsistence	167	(97)		70	20	50	28,6%	150	139
Training and development	-			-	-	-	-	-	-
Operating payments	-			-	-	-	-	-	-
Venues and facilities	1 000	985		1 985	1 985	-	100,0%	3 558	3 559
Transfers and subsidies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**70**	**69**
Non-profit institutions				-		-	-	-	
Households	-	-	-	-	-	-	-	70	69
Social benefits				-		-	-	70	69
Other transfers to households				-		-	-	-	
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**371**	**383**
Machinery and equipment	-	-	-	-	-	-	-	371	383
Transport equipment				-		-	-	-	
Other machinery and equipment				-		-	-	371	383
Payments for financial assets				**-**		**-**	**-**	**-**	**-**
Total	**41 293**	**985**	**7 413**	**49 691**	**49 121**	**570**	**98,9%**	**35 532**	**29 915**

APPROPRIATION STATEMENT
for the year ended 31 March 2021

SUBPROGRAMME: 1.3: CORPORATE SUPPORT									
	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	**259 306**	**(212)**	**-**	**259 094**	**247 687**	**11 407**	**95,6%**	**317 180**	**282 259**
Compensation of employees	160 794	(212)	-	160 582	152 374	8 208	94,9%	174 520	153 647
Salaries and wages	138 907	(212)	-	138 695	130 910	7 785	94,4%	147 250	132 616
Social contributions	21 887		-	21 887	21 464	423	98,1%	27 270	21 031
Goods and services	98 512	-	-	98 512	95 313	3 199	96,8%	142 600	128 606
Administrative fees	1 400	3 800	-	5 200	5 199	1	100,0%	3 915	3 912
Advertising	2 900	(2 732)	-	168	167	1	99,4%	1 368	1 368
Minor assets	1 720	(1 484)	-	236	235	1	99,6%	138	140
Audit costs: External	7 000	(973)	-	6 027	6 026	1	100,0%	7 705	7 706
Bursaries: Employees	500	(482)	-	18	17	1	94,4%	2 124	99
Catering: Departmental activities	100	38	-	138	137	1	99,3%	2 410	1 474
Communication	6 040	2 095	-	8 135	8 134	1	100,0%	11 080	7 543
Computer services	11 860	(516)	-	11 344	11 343	1	100,0%	27 714	27 717
Consultants: Business and advisory services	3 000	(2 118)	-	882	881	1	99,9%	2 250	834
Legal services	3 500	1 326	-	4 826	4 825	1	100,0%	5 285	3 578
Contractors	2 500	(280)	-	2 220	2 219	1	100,0%	3 371	3 372
Entertainment	-		-	-	-	-	-	-	-
Fleet services	-		-	-	-	-	-	2 960	2 962
Consumable supplies	7 217	(1 782)	-	5 435	2 458	2 977	45,2%	982	978
Consumable: Stationery, printing and office supplies	1 825	555	-	2 380	2 379	1	100,0%	2 987	2 631
Operating leases	-		-	-	-	-	-	3 217	3 218
Property payments	46 900	3 007		49 907	49 906	1	100,0%	50 700	47 800

APPROPRIATION STATEMENT
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Transport provided: Departmental activity	100			100	-	100	-	200	105
Travel and subsistence	1 000	(454)		546	468	78	85,7%	2 850	1 969
Training and development	150			150	141	9	94,0%	10 094	10 096
Operating payments	-			-	-	-	-	-	-
Venues and facilities	800			800	778	22	97,3%	1 250	1 104
Rental and hiring	-			-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	60	6
Interest				-		-	-	60	6
Rent on land				-		-	-	-	
Transfers and subsidies	**880**	**-**	**487**	**1 367**	**1 366**	**1**	**99,9%**	**392**	**164**
Non-profit institutions				-		-	-	-	
Households	880	-	487	1 367	1 366	1	99,9%	392	164
Social benefits	880		487	1 367	1 366	1	99,9%	392	164
Other transfers to households				-		-	-	-	
Payments for capital assets	**10 454**	**-**	**-**	**10 454**	**2 963**	**7 491**	**28,3%**	**12 559**	**5 391**
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	9 863	-	-	9 863	2 912	6 951	29,5%	11 999	4 891
Transport equipment	350			350		350	-	129	
Other machinery and equipment	9 513			9 513	2 912	6 601	30,6%	11 870	4 891
Intangible assets	591			591	51	540	8,6%	560	500
Payments for financial assets				**-**		**-**	**-**	**-**	
Total	**270 640**	**(212)**	**487**	**270 915**	**252 016**	**18 899**	**93,0%**	**330 131**	**287 814**

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for the year ended 31 March 2021

SUBPROGRAMME: 1.4: DEPARTMENTAL STRATEGY									
	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	**2 980**	**212**	-	**3 192**	**3 063**	**129**	**96,0%**	**3 548**	**3 020**
Compensation of employees	2 854	212	-	3 066	3 063	3	99,9%	3 248	3 019
Salaries and wages	2 664	59	-	2 723	2 721	2	99,9%	2 924	2 694
Social contributions	190	153	-	343	342	1	99,7%	324	325
Goods and services	126	-	-	126	-	126	-	300	1
Advertising	50	-	-	50	-	50	-	100	-
Consumable: Stationery, printing and office supplies	5	-	-	5	-	5	-	80	1
Travel and subsistence	21	-	-	21	-	21	-	20	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	50	-	-	50	-	50	-	100	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	**-**	-	**-**	**-**	**-**	-
Total	**2 980**	**212**	**-**	**3 192**	**3 063**	**129**	**96,0%**	**3 548**	**3 020**

APPROPRIATION STATEMENT
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Programme 2: TRANSPORT INFRASTRUCTURE									
	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									
2.1.Infrastructure Planning	114 596	-	(7 413)	107 183	62 519	44 664	58,3%	63 329	58 064
2.2.Infrastructure Design	197 172	(534)	-	196 638	131 726	64 912	67,0%	154 781	111 765
2.3.Construction	538 636	534	-	539 170	421 601	117 569	78,2%	560 835	536 202
2.4.Maintenance	1 291 783	-	(487)	1 291 296	1 131 326	159 970	87,6%	1 429 828	1 427 135
2.5.Programme Support Infrastructure	48 332	-	-	48 332	43 549	4 783	90,1%	31 717	26 182
Total for sub programmes	**2 190 519**	**-**	**(7 900)**	**2 182 619**	**1 790 721**	**391 898**	**82,0%**	**2 240 490**	**2 159 348**
Economic classification									
Current payments	**1 548 686**	**(53 609)**	**(7 413)**	**1 487 664**	**1 267 428**	**220 236**	**85,2%**	**1 627 702**	**1 605 578**
Compensation of employees	301 291	-	-	301 291	279 173	22 118	92,7%	310 800	279 580
Salaries and wages	255 448	(540)	-	254 908	234 452	20 456	92,0%	260 300	235 954
Social contributions	45 843	540	-	46 383	44 721	1 662	96,4%	50 500	43 626
Goods and services	1 247 335	(53 609)	(7 413)	1 186 313	988 226	198 087	83,3%	1 316 852	1 325 987
Administrative fees	185	(2)	-	183	-	183	-	-	-
Advertising	2 050	(1 070)	-	980	933	47	95,2%	1 747	1 747
Minor assets	825	-	-	825	-	825	-	48	48
Audit costs: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	59	59

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Communication	-	-	-	-	-	-	-	10	10
Computer services	-	-	-	-	-	-	-	-	-
Consultants: Business and advisory services	39 304	(2 674)	(7 413)	29 217	2 325	26 892	8,0%	500	500
Infrastructure and planning services	34 574	-	-	34 574	28 486	6 088	82,4%	28 985	26 985
Laboratory services	250	-	-	250	-	250	-	260	262
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	4 290	(831)	-	3 459	2 678	781	77,4%	10 327	10 327
Contractors	1 104 385	(31 403)	-	1 072 982	913 315	159 666	85,1%	1 231 445	1 243 127
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services	11 638	-	-	11 638	11 093	545	95,3%	965	966
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	5 150	(4 069)	-	1 081	748	333	69,2%	2 016	2 016
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	17 355	(14 670)	-	2 685	2 581	104	96,1%	18 813	18 815
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas Inventory Interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	255	40	-	295	201	94	68,1%	625	626
Consumable: Stationery, printing and office supplies	500	-	-	500	43	457	8,6%	840	840
Operating leases	8 759	3 184	-	11 943	11 942	1	100,0%	1 435	1 433
Property payments	12 000	(2 114)	-	9 886	9 543	343	96,5%	8 968	8 542

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Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	5 815	-	-	5 815	4 337	1 478	74,6%	9 738	9 613
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	71	71
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	60	-	-	60	29	31	48,3%	50	11
Interest	60	-	-	60	29	31	48,3%	50	11
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**5 888**	**3 505**	**(487)**	**8 906**	**7 681**	**1 225**	**86,2%**	**6 154**	**5 882**
Provinces and municipalities	2 800	-	-	2 800	2 076	724	74,1%	1 939	1 939
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	2 800	-	-	2 800	2 076	724	74,1%	1 939	1 939
Municipal bank accounts	2 800	-	-	2 800	2 076	724	74,1%	1 939	1 939
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	3 088	3 505	(487)	6 106	5 605	501	91,8%	4 215	3 943
Social benefits	3 088	-	(487)	2 601	2 101	500	80,8%	3 281	3 264
Other transfers to households	-	3 505	-	3 505	3 504	1	100,0%	934	679
Payments for capital assets	**635 945**	**50 104**	**-**	**686 049**	**515 612**	**170 437**	**75,2%**	**606 618**	**547 872**
Buildings and other fixed structures	629 963	50 104	-	680 067	514 833	165 234	75,7%	597 089	541 530
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	629 963	50 104	-	680 067	514 833	165 234	75,7%	597 089	541 530
Machinery and equipment	5 982	-	-	5 982	779	5 203	13,0%	4 738	1 551
Transport equipment	3 207	-	-	3 207	779	2 428	24,3%	800	157
Other machinery and equipment	2 775	-	-	2 775	-	2 775	-	3 938	1 394
Intangible assets	-	-	-	-	-	-	-	4 791	4 791
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**16**	**16**
Total	**2 190 519**	**-**	**(7 900)**	**2 182 619**	**1 790 721**	**391 898**	**82,0%**	**2 240 490**	**2 159 348**

APPROPRIATION STATEMENT
for the year ended 31 March 2021

SUBPROGRAMME: 2.1: INFRASTRUCTURE PLANNING									
	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	**114 564**	**-**	**(7 413)**	**107 151**	**62 504**	**44 647**	**58,3%**	**63 189**	**57 925**
Compensation of employees	44 428	-	-	44 428	33 521	10 907	75,5%	31 900	28 635
Salaries and wages	40 798	(540)		40 258	29 358	10 900	72,9%	28 000	25 197
Social contributions	3 630	540		4 170	4 163	7	99,8%	3 900	3 438
Goods and services	70 136	-	(7 413)	62 723	28 983	33 740	46,2%	31 289	29 290
Administrative fees	180			180	-	180	-	-	-
Advertising	50			50	4	46	8,0%	9	9
Minor assets	-			-	-	-	-	-	-
Audit costs: External	-			-	-	-	-	-	-
Bursaries: Employees	-			-	-	-	-	-	-
Catering: Departmental activities	-			-	-	-	-	44	44
Communication	-			-	-	-	-	-	-
Computer services	-			-	-	-	-	-	-
Consultants: Business and advisory services	34 304		(7 413)	26 891	-	26 891	-	500	500
Infrastructure and planning services	34 574	-		34 574	28 486	6 088	82,4%	28 985	26 985
Laboratory services	-			-	-	-	-	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Scientific and technological services	-			-	-	-	-	-	-
Legal services	70			70	-	70	-	-	-
Contractors	-			-	-	-	-	-	-
Agency and support / outsourced services	-			-	-	-	-	-	-
Entertainment	-			-	-	-	-	-	-
Fleet services	-			-	-	-	-	238	239
Housing	-			-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	430			430	-	430	-	156	157
Operating leases	-			-	-	-	-	325	324
Property payments	-			-	-	-	-	-	-
Transport provided: Departmental activity	-			-	-	-	-	-	-
Travel and subsistence	528			528	493	35	93,4%	1 006	1 006
Training and development	-			-	-	-	-	-	-
Operating payments	-			-	-	-	-	-	-
Venues and facilities	-			-	-	-	-	26	26
Rental and hiring	-			-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest				-		-	-	-	
Rent on land				-		-	-	-	
Transfers and subsidies	**32**	**-**	**-**	**32**	**15**	**17**	**46,9%**	**140**	**139**
Non-profit institutions				-		-	-	-	
Households	32	-	-	32	15	17	46,9%	140	139
Social benefits	32			32	15	17	46,9%	140	139
Other transfers to households				-		-	-	-	
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	
Total	**114 596**	**-**	**(7 413)**	**107 183**	**62 519**	**44 664**	**58,3%**	**63 329**	**58 064**

APPROPRIATION STATEMENT
for the year ended 31 March 2021

SUBPROGRAMME: 2.2: INFRASTRUCTURE DESIGN									
	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	**57 194**	**966**	**-**	**58 160**	**43 578**	**14 582**	**74,9%**	**66 692**	**62 116**
Compensation of employees	45 300	-	-	45 300	41 242	4 058	91,0%	48 900	44 409
Salaries and wages	39 400	-	-	39 400	35 579	3 821	90,3%	42 900	38 619
Social contributions	5 900	-	-	5 900	5 663	237	96,0%	6 000	5 790
Goods and services	11 894	966	-	12 860	2 336	10 524	18,2%	17 792	17 707
Contractors	10 100	1 500	-	11 600	1 584	10 016	13,7%	16 092	16 093
Travel and subsistence	1 794	(534)	-	1 260	752	508	59,7%	1 700	1 614
Transfers and subsidies	**148**	**-**	**-**	**148**	**37**	**111**	**25,0%**	**880**	**880**
Households	148	-	-	148	37	111	25,0%	880	880
Social benefits	148	-	-	148	37	111	25,0%	880	880
Payments for capital assets	**139 830**	**(1 500)**	**-**	**138 330**	**88 111**	**50 219**	**63,7%**	**87 209**	**48 769**
Buildings and other fixed structures	139 830	(1 500)	-	138 330	88 111	50 219	63,7%	87 209	48 769
Buildings			-	-		-	-	-	
Other fixed structures	139 830	(1 500)	-	138 330	88 111	50 219	63,7%	87 209	48 769
Payments for financial assets	**-**	**-**	**-**	**-**		**-**	**-**	**-**	
Total	**197 172**	**(534)**	**-**	**196 638**	**131 726**	**64 912**	**67,0%**	**154 781**	**111 765**

APPROPRIATION STATEMENT
for the year ended 31 March 2021

SUBPROGRAMME: 2.3: 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	**47 748**	**534**	**-**	**48 282**	**45 836**	**2 446**	**94,9%**	**55 284**	**47 777**
Compensation of employees	46 200	-	-	46 200	43 755	2 445	94,7%	50 800	43 332
Salaries and wages	39 600			39 600	37 603	1 997	95,0%	43 900	37 080
Social contributions	6 600			6 600	6 152	448	93,2%	6 900	6 252
Goods and services	1 548	534	-	2 082	2 081	1	100,0%	4 484	4 445
Administrative fees	-			-	-	-	-	-	-
Advertising	-			-	-	-	-	1	1
Legal services	-			-	-	-	-	1	1
Travel and subsistence	1 548	534		2 082	2 081	1	100,0%	4 482	4 443
Transfers and subsidies	**755**	**-**	**-**	**755**	**645**	**110**	**85,4%**	**361**	**354**
Households	755	-	-	755	645	110	85,4%	361	354
Social benefits	755			755	645	110	85,4%	361	354
Other transfers to households				-		-	-	-	
Payments for capital assets	**490 133**	**-**	**-**	**490 133**	**375 120**	**115 013**	**76,5%**	**505 190**	**488 071**
Buildings and other fixed structures	490 133	-	-	490 133	375 120	115 013	76,5%	505 190	488 071
Buildings				-		-	-	-	
Other fixed structures	490 133			490 133	375 120	115 013	76,5%	505 190	488 071
Payments for financial assets				**-**		**-**	**-**	**-**	
Total	**538 636**	**534**	**-**	**539 170**	**421 601**	**117 569**	**78,2%**	**560 835**	**536 202**

APPROPRIATION STATEMENT
for the year ended 31 March 2021

SUBPROGRAMME: 2.4: 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	**1 284 203**	**(51 604)**	**-**	**1 232 599**	**1 076 244**	**156 355**	**87,3%**	**1 415 714**	**1 413 030**
Compensation of employees	164 739	-	-	164 739	160 090	4 649	97,2%	177 000	162 634
Salaries and wages	135 100	-	-	135 100	131 416	3 684	97,3%	143 500	134 556
Social contributions	29 639	-	-	29 639	28 674	965	96,7%	33 500	28 078
Goods and services	1 119 464	(51 604)	-	1 067 860	916 154	151 706	85,8%	1 238 714	1 250 396
Minor assets	825	-	-	825	-	825	-	-	-
Contractors	1 094 285	(32 905)	-	1 061 380	911 730	149 650	85,9%	1 215 337	1 227 018
Inventory: Clothing material and accessories	5 150	(4 069)	-	1 081	748	333	69,2%	2 016	2 016
Inventory: Materials and supplies	17 355	(14 670)	-	2 685	2 581	104	96,1%	18 813	18 815
Consumable supplies	55	40	-	95	83	12	87,4%	145	145
Travel and subsistence	1 794	-	-	1 794	1 012	783	56,4%	2 403	2 402
Transfers and subsidies	**4 805**	**-**	**(487)**	**4 318**	**3 480**	**838**	**80,6%**	**3 839**	**3 830**
Provinces and municipalities	2 800	-	-	2 800	2 076	724	74,1%	1 939	1 939
Municipalities	2 800	-	-	2 800	2 076	724	74,1%	1 939	1 939
Municipal bank accounts	2 800	-	-	2 800	2 076	724	74,1%	1 939	1 939
Households	2 005	-	(487)	1 518	1 404	114	92,5%	1 900	1 891
Social benefits	2 005	-	(487)	1 518	1 404	114	92,5%	1 900	1 891
Payments for capital assets	**2 775**	**51 604**	**-**	**54 379**	**51 602**	**2 777**	**94,9%**	**10 259**	**10 259**
Buildings and other fixed structures	-	51 604	-	51 604	51 602	2	100,0%	4 690	4 690
Other fixed structures	-	51 604	-	51 604	51 602	2	100,0%	4 690	4 690
Machinery and equipment	2 775	-	-	2 775	-	2 775	-	778	778
Other machinery and equipment	2 775	-	-	2 775	-	2 775	-	778	778
Intangible assets	-	-	-	-	-	-	-	4 791	4 791
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**16**	**16**
Total	**1 291 783**	**-**	**(487)**	**1 291 296**	**1 131 326**	**159 970**	**87,6%**	**1 429 828**	**1 427 135**

APPROPRIATION STATEMENT
for the year ended 31 March 2021

SUBPROGRAMME: 2.5: PROGRAMME SUPPORT INFRASTRUCTURE									
	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	**44 977**	**(3 505)**	**-**	**41 472**	**39 266**	**2 206**	**94,7%**	**26 823**	**24 730**
Compensation of employees	624	-	-	624	565	59	90,5%	2 200	570
Salaries and wages	550			550	496	54	90,2%	2 000	502
Social contributions	74			74	69	5	93,2%	200	68
Goods and services	44 293	(3 505)	-	40 788	38 672	2 116	94,8%	24 573	24 149
Administrative fees	5	(2)		3	-	3	-	-	-
Advertising	2 000	(1 070)		930	929	1	99,9%	1 737	1 737
Minor assets	-			-	-	-	-	48	48
Audit costs: External	-			-	-	-	-	-	-
Bursaries: Employees	-			-	-	-	-	-	-
Catering: Departmental activities	-			-	-	-	-	15	15
Communication	-			-	-	-	-	10	10
Computer services	-			-	-	-	-	-	-
Consultants: Business and advisory services	5 000	(2 674)		2 326	2 325	1	100,0%	-	-
Infrastructure and planning services	-			-	-	-	-	-	-
Laboratory services	250			250	-	250	-	260	262
Scientific and technological services	-			-	-	-	-	-	-
Legal services	4 220	(831)		3 389	2 678	711	79,0%	10 326	10 326
Contractors	-	2		2	1	1	50,0%	16	16
Agency and support / outsourced services	-			-	-	-	-	-	-
Entertainment	-			-	-	-	-	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Fleet services	11 638	-	-	11 638	11 093	545	95,3%	727	727
Consumable supplies	200	-	-	200	118	82	59,0%	480	481
Consumable: Stationery, printing and office supplies	70	-	-	70	43	27	61,4%	684	683
Operating leases	8 759	3 184	-	11 943	11 942	1	100,0%	1 110	1 109
Property payments	12 000	(2 114)	-	9 886	9 543	343	96,5%	8 968	8 542
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	151	-	-	151	-	151	-	147	148
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	45	45
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	60	-	-	60	29	31	48,3%	50	11
Interest	60	-	-	60	29	31	48,3%	50	11
Rent on land	-	-	-	-		-	-	-	
Transfers and subsidies	**148**	**3 505**	**-**	**3 653**	**3 504**	**149**	**95,9%**	**934**	**679**
Households	148	-	-	148	-	148	-	934	679
Social benefits	-	3 505	-	3 505	3 504	1	100,0%	-	-
Other transfers to households	-	3 505	-	3 505	3 504	1	100,0%	934	679
Payments for capital assets	**3 207**	-	-	**3 207**	**779**	**2 428**	**24,3%**	**3 960**	**773**
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-		-	-	-	-
Other fixed structures	-	-	-	-		-	-	-	-
Machinery and equipment	3 207	-	-	3 207	779	2 428	24,3%	3 960	773
Transport equipment	3 207	-	-	3 207	779	2 428	24,3%	800	157
Other machinery and equipment	-	-	-	-		-	-	3 160	616
Payments for financial assets	-	-	-	**-**		**-**	**-**	**-**	**-**
Total	**48 332**	**-**	**-**	**48 332**	**43 549**	**4 783**	**90,1%**	**31 717**	**26 182**

GAUTENG DEPARTMENT OF ROADS AND TRANSPORT
VOTE 9

APPROPRIATION STATEMENT
for the year ended 31 March 2021

PROGRAMME 3: TRANSPORT OPERATIONS									
	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									
Public Transport Services	2 805 582	-	-	2 805 582	2 056 781	748 801	73,3%	2 682 707	2 224 203
Programme Support Operations	49 371	-	-	49 371	27 159	22 212	55,0%	7 288	2 530
Total for sub programmes	**2 854 953**	**-**	**-**	**2 854 953**	**2 083 940**	**771 013**	**73,0%**	**2 689 995**	**2 226 733**
Economic classification									
Current payments	**103 921**	**-**	**-**	**103 921**	**72 433**	**31 488**	**69,7%**	**72 835**	**59 094**
Compensation of employees	74 550	-	-	74 550	53 653	20 897	72,0%	27 975	26 653
Salaries and wages	70 860	(412)	-	70 448	49 557	20 891	70,3%	23 825	22 679
Social contributions	3 690	412	-	4 102	4 096	6	99,9%	4 150	3 974
Goods and services	29 371	-	-	29 371	18 780	10 591	63,9%	44 860	32 441
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	38	-	-	38	-	38	-	340	43
Minor assets	8	-	-	8	6	2	75,0%	10	5
Audit costs: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	50	3
Communication	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Consultants: Business and advisory services	23 197	-	-	23 197	15 801	7 396	68,1%	39 000	30 272
Infrastructure and planning services	2 500	-	-	2 500	2 255	245	90,2%	-	-
Laboratory services	-	-	-	-	-	-	-	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	2 638	-	-	2 638	-	2 638	-	2 500	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services	-	-	-	-	-	-	-	800	230
Consumable supplies	4	-	-	4	-	4	-	-	-
Consumable: Stationery, printing and office supplies	100	-	-	100	26	74	26,0%	237	72
Operating leases	-	-	-	-	-	-	-	927	928
Travel and subsistence	886	-	-	886	692	194	78,1%	936	839
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	60	49
Transfers and subsidies	2 751 032	-	-	2 751 032	2 011 507	739 525	73,1%	2 615 830	2 167 639
Public corporations and private enterprises	2 750 895	-	-	2 750 895	2 011 495	739 400	73,1%	2 615 700	2 167 575
Private enterprises	2 750 895	-	-	2 750 895	2 011 495	739 400	73,1%	2 615 700	2 167 575
Other transfers to private enterprises	2 750 895	-	-	2 750 895	2 011 495	739 400	73,1%	2 615 700	2 167 575
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	137	-	-	137	12	125	8,8%	130	64
Social benefits	137	-	-	137	12	125	8,8%	130	64
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1 330**	**-**
Buildings and other fixed structures	-	-	-	-	-	-	-	1 250	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	1 250	-
Machinery and equipment	-	-	-	-	-	-	-	80	-
Transport equipment	-	-	-	-	-	-	-	80	-
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**2 854 953**	**-**	**-**	**2 854 953**	**2 083 940**	**771 013**	**73,0%**	**2 689 995**	**2 226 733**

APPROPRIATION STATEMENT
for the year ended 31 March 2021

SUBPROGRAMME: 3.1: PUBLIC TRANSPORT SERVICES									
	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	**54 687**	**-**	**-**	**54 687**	**45 286**	**9 401**	**82,8%**	**65 657**	**56 577**
Compensation of employees	28 195	-	-	28 195	26 538	1 657	94,1%	25 867	25 612
Salaries and wages	24 615	(412)		24 203	22 547	1 656	93,2%	21 992	21 742
Social contributions	3 580	412		3 992	3 991	1	100,0%	3 875	3 870
Goods and services	26 492	-	-	26 492	18 748	7 744	70,8%	39 790	30 965
Consultants: Business and advisory services	23 197	-	-	23 197	15 801	7 396	68,1%	39 000	30 272
Infrastructure and planning services	2 500	-	-	2 500	2 255	245	90,2%	-	-
Travel and subsistence	795	-	-	795	692	103	87,0%	790	693
Transfers and subsidies	**2 750 895**	-	-	**2 750 895**	**2 011 495**	**739 400**	**73,1%**	**2 615 800**	**2 167 626**
Public corporations and private enterprises	2 750 895	-	-	2 750 895	2 011 495	739 400	73,1%	2 615 700	2 167 575
Private enterprises	2 750 895	-	-	2 750 895	2 011 495	739 400	73,1%	2 615 700	2 167 575
Other transfers to private enterprises	2 750 895	-	-	2 750 895	2 011 495	739 400	73,1%	2 615 700	2 167 575
Non-profit institutions	-	-	-	-	-	-	-	-	
Households	-	-	-	-	-	-	-	100	51
Social benefits	-	-	-	-	-	-	-	100	51
Other transfers to households	-	-	-	-	-	-	-	-	
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1 250**	**-**
Buildings and other fixed structures	-	-	-	-	-	-	-	1 250	-
Buildings				-		-	-	-	
Other fixed structures				-		-	-	1 250	
Payments for financial assets				-		-	-	-	-
Total	**2 805 582**	**-**	**-**	**2 805 582**	**2 056 781**	**748 801**	**73,3%**	**2 682 707**	**2 224 203**

APPROPRIATION STATEMENT
for the year ended 31 March 2021

SUBPROGRAMME: 3.2: PROGRAMME SUPPORT OPERATIONS

	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	**49 234**	-	-	**49 234**	**27 147**	**22 087**	**55,1%**	**7 178**	**2 517**
Compensation of employees	46 355	-	-	46 355	27 115	19 240	58,5%	2 108	1 041
Salaries and wages	46 245	-	-	46 245	27 010	19 235	58,4%	1 833	937
Social contributions	110	-	-	110	105	5	95,5%	275	104
Goods and services	2 879	-	-	2 879	32	2 847	1,1%	5 070	1 476
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	38	-	-	38	-	38	-	340	43
Minor assets	8	-	-	8	6	2	75,0%	10	5
Audit costs: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	50	3
Legal services	2 638	-	-	2 638	-	2 638	-	2 500	-
Fleet services	-	-	-	-	-	-	-	800	230
Consumable supplies	4	-	-	4	-	4	-	-	-
Consumable: Stationery, printing and office supplies	100	-	-	100	26	74	26,0%	237	72
Operating leases	-	-	-	-	-	-	-	927	928
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	91	-	-	91	-	91	-	146	146
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	60	49
Rent on land		-	-	-		-	-	-	

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Transfers and subsidies	**137**	-	-	**137**	**12**	**125**	**8,8%**	**30**	**13**
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Non-profit institutions		-	-	-		-	-	-	
Households	137	-	-	137	12	125	8,8%	30	13
Social benefits	137	-	-	137	12	125	8,8%	30	13
Other transfers to households		-	-	-		-	-	-	-
Payments for capital assets	**-**	-	-	**-**	**-**	**-**	**-**	**80**	**-**
Machinery and equipment	-	-	-	-	-	-	-	80	-
Transport equipment	-	-	-	-		-	-	80	-
Total	**49 371**	**-**	**-**	**49 371**	**27 159**	**22 212**	**55,0%**	**7 288**	**2 530**

PROGRAMME 4: TRANSPORT REGULATION									
	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									
Transport Administration and Licencing	181 636	-	-	181 636	142 105	39 531	78,2%	186 087	162 749
Operator Licence and Permits	143 097	-	-	143 097	109 660	33 437	76,6%	146 855	126 576
Total for sub programmes	**324 733**	**-**	**-**	**324 733**	**251 765**	**72 968**	**77,5%**	**332 942**	**289 325**
Economic classification									
Current payments	**322 248**	**(20 145)**	**-**	**302 103**	**230 550**	**71 553**	**76,3%**	**326 523**	**284 670**
Compensation of employees	196 558	-	-	196 558	183 908	12 650	93,6%	208 996	185 780
Salaries and wages	166 036	-	-	166 036	153 833	12 203	92,7%	175 741	156 926
Social contributions	30 522	-	-	30 522	30 075	447	98,5%	33 255	28 854
Goods and services	125 690	(20 145)	-	105 545	46 642	58 903	44,2%	117 437	98 890

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Administrative fees	60	-	-	60	-	60	-	60	-
Advertising	100	(50)	-	50	-	50	-	337	-
Minor assets	-	-	-	-	-	-	-	176	104
Audit costs: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	99	-	99	98	1	99,0%	100	58
Communication	600	(567)	-	33	33	-	100,0%	1 222	1 222
Computer services	1 002	-	-	1 002	37	965	3,7%	800	-
Consultants: Business and advisory services	40 000	(20 000)	-	20 000	-	20 000	-	-	-
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	572	945	-	1 517	1 516	1	99,9%	468	331
Contractors	2 594	(512)	-	2 082	483	1 599	23,2%	2 368	2 094
Agency and support / outsourced services	-	-	-	-	-	-	-	150	150
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services	-	-	-	-	-	-	-	3 288	2 358
Inventory: Clothing material and accessories	50	(50)	-	-	-	-	-	-	-
Inventory: Other supplies	5 040	-	-	5 040	1 762	3 278	35,0%	6 876	6 356
Consumable supplies	-	-	-	-	-	-	-	32	6
Consumable: Stationery, printing and office supplies	57 394	15	-	57 409	26 840	30 569	46,8%	73 542	62 556
Operating leases	10 500	2 523	-	13 023	13 022	1	100,0%	19 744	18 356
Property payments	6 700	(2 523)	-	4 177	2 513	1 664	60,2%	6 560	4 252
Travel and subsistence	1 078	(60)	-	1 018	304	714	29,9%	1 340	673
Venues and facilities	-	35	-	35	34	1	97,1%	374	374
Interest and rent on land	-	-	-	-	-	-	-	90	-
Interest	-	-	-	-	-	-	-	90	-
Transfers and subsidies	**739**	**20 000**	**-**	**20 739**	**20 601**	**138**	**99,3%**	**1 163**	**1 163**

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Non-profit institutions	-	20 000	-	20 000	20 000	-	100,0%		
Households	739	-	-	739	601	138	81,3%	1 163	1 163
Social benefits	74	665	-	739	601	138	81,3%	860	1 163
Other transfers to households	665	(665)	-	-	-	-	-	303	-
Payments for capital assets	**1 746**	**145**	**-**	**1 891**	**614**	**1 277**	**32,5%**	**5 256**	**3 492**
Buildings and other fixed structures	1 746	-	-	1 746	469	1 277	26,9%	3 216	2 716
Buildings	125	1 621	-	1 746	469	1 277	26,9%	3 216	2 716
Other fixed structures	1 621	(1 621)	-	-	-	-	-	-	-
Machinery and equipment	-	145	-	145	145	-	100,0%	1 040	776
Transport equipment	-	-	-	-	-	-	-	907	743
Other machinery and equipment	-	145	-	145	145	-	100,0%	133	33
Intangible assets	-	-	-	-	-	-	-	1 000	-
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**324 733**	**-**	**-**	**324 733**	**251 765**	**72 968**	**77,5%**	**332 942**	**289 325**

SUBPROGRAMME: 4.1: TRANSPORT ADMINISTRATION AND LICENCING

	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	**179 225**	**(145)**	**-**	**179 080**	**140 931**	**38 149**	**78,7%**	**180 340**	**158 595**
Compensation of employees	132 640	-	-	132 640	122 462	10 178	92,3%	139 216	124 933
Salaries and wages	112 240			112 240	102 443	9 797	91,3%	115 361	105 480
Social contributions	20 400			20 400	20 019	381	98,1%	23 855	19 453
Goods and services	46 585	(145)	-	46 440	18 469	27 971	39,8%	41 124	33 662
Administrative fees	60			60	-	60	-	60	-
Advertising	50			50	-	50	-	292	-
Minor assets	-	-	-	-	-	-	-	50	4
Audit costs: External	-	-	-	-	-	-	-	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication	-	33	-	33	33	-	100,0%	-	-
Computer services	1 002		-	1 002	37	965	3,7%	800	-
Consultants: Business and advisory services	20 000	-	-	20 000	-	20 000	-	-	-
Legal services	-		-	-	-	-	-	200	63
Contractors	2 273	(193)	-	2 080	482	1 598	23,2%	1 820	1 597
Fleet services	-	-	-	-	-	-	-	2 554	1 623
Inventory: Other supplies	5 000	-	-	5 000	1 751	3 249	35,0%	6 865	6 345
Consumable supplies	-	-	-	-	-	-	-	8	6
Consumable: Stationery, printing and office supplies	450	15	-	465	464	1	99,8%	2 435	2 119
Operating leases	10 500	2 523	-	13 023	13 022	1	100,0%	18 580	17 190
Property payments	6 700	(2 523)	-	4 177	2 513	1 664	60,2%	6 560	4 252
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	550		-	550	167	383	30,4%	900	463
Transfers and subsidies	**665**	**-**	-	**665**	**560**	**105**	**84,2%**	**1 131**	**1 131**
Households	665	-	-	665	560	105	84,2%	1 131	1 131
Social benefits		665	-	665	560	105	84,2%	828	1 131
Other transfers to households	665	(665)	-	-		-	-	303	-
Payments for capital assets	**1 746**	**145**	-	**1 891**	**614**	**1 277**	**32,5%**	**4 616**	**3 023**
Buildings and other fixed structures	1 746	-	-	1 746	469	1 277	26,9%	2 916	2 565
Buildings	125	1 621	-	1 746	469	1 277	26,9%	2 916	2 565
Other fixed structures	1 621	(1 621)	-	-		-	-	-	-
Machinery and equipment	-	145	-	145	145	-	100,0%	700	458
Transport equipment	-		-	-		-	-	600	458
Other machinery and equipment	-	145	-	145	145	-	100,0%	100	-
Intangible assets	-	-	-	-	-	-	-	1 000	-
Payments for financial assets	-	-	-	-	-	-	-	**-**	**-**
Total	**181 636**	**-**	**-**	**181 636**	**142 105**	**39 531**	**78,2%**	**186 087**	**162 749**

Sub programme: 4.2: OPERATOR LICENCE AND PERMITS

	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	**143 023**	**(20 000)**	**-**	**123 023**	**89 619**	**33 404**	**72,8%**	**146 183**	**126 075**
Compensation of employees	63 918	-	-	63 918	61 446	2 472	96,1%	69 780	60 847
Salaries and wages	53 796			53 796	51 390	2 406	95,5%	60 380	51 446
Social contributions	10 122			10 122	10 056	66	99,3%	9 400	9 401
Goods and services	79 105	(20 000)	-	59 105	28 173	30 932	47,7%	76 313	65 228
Administrative fees	-			-	-	-	-	-	-
Advertising	50	(50)		-	-	-	-	45	-
Minor assets	-			-	-	-	-	126	100
Audit costs: External	-			-	-	-	-	-	-
Bursaries: Employees	-			-	-	-	-	-	-
Catering: Departmental activities	-	99		99	98	1	99,0%	100	58
Communication	600	(600)		-	-	-	-	1 222	1 222
Computer services	-			-	-	-	-	-	-
Consultants: Business and advisory services	20 000	(20 000)		-	-	-	-	-	-
Legal services	572	945		1 517	1 516	1	99,9%	268	268
Contractors	321	(319)		2	1	1	50,0%	548	497
Agency and support / outsourced services	-			-	-	-	-	150	150
Inventory: Clothing material and accessories	50	(50)		-	-	-	-	-	-
Fleet services	-			-	-	-	-	734	735
Inventory: Other supplies	40			40	11	29	27,5%	11	11
Consumable supplies	-			-	-	-	-	24	-

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Consumable: Stationery, printing and office supplies	56 944			56 944	26 376	30 568	46,3%	71 107	60 437
Operating leases	-			-	-	-	-	1 164	1 166
Property payments	-			-	-	-	-	-	-
Transport provided: Departmental activity	-			-	-	-	-	-	-
Travel and subsistence	528	(60)		468	137	331	29,3%	440	210
Training and development	-			-	-	-	-	-	-
Operating payments	-			-	-	-	-	-	-
Venues and facilities	-	35		35	34	1	97,1%	374	374
Rental and hiring	-			-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	90	-
Interest				-		-	-	90	
Rent on land				-		-	-	-	
Transfers and subsidies	**74**	**20 000**	**-**	**20 074**	**20 041**	**33**	**99,8%**	**32**	**32**
Non-profit institutions		20 000		20 000	20 000	-	100,0%		
Households	74	-	-	74	41	33	55,4%	32	32
Social benefits	74			74	41	33	55,4%	32	32
Other transfers to households				-		-	-	-	
Payments for capital assets	-	-	-	-	-	-	-	**640**	**469**
Buildings and other fixed structures	-	-	-	-	-	-	-	300	151
Buildings				-		-	-	300	151
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	340	318
Transport equipment	-	-	-	-	-	-	-	307	285
Other machinery and equipment				-		-	-	33	33
Total	**143 097**	**-**	**-**	**143 097**	**109 660**	**33 437**	**76,6%**	**146 855**	**126 576**

APPROPRIATION STATEMENT
for the year ended 31 March 2021

PROGRAMME 5: GAUTRAIN									
	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									
Gautrain Rapid Link	2 680 758	-	-	2 680 758	2 680 758	-	100,0%	2 153 314	2 153 314
Total for sub programmes	**2 680 758**	**-**	**-**	**2 680 758**	**2 680 758**	**-**	**100,0%**	**2 153 314**	**2 153 314**
Economic classification									
Current payments	**15 000**	**(15 000)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Goods and services	15 000	(15 000)	-	-	-	-	-	-	-
Property payments	15 000	(15 000)	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**2 680 758**	**-**	**-**	**2 680 758**	**2 680 758**	**-**	**100,0%**	**2 153 314**	**2 153 314**
Departmental agencies and accounts	2 680 758	-	-	2 680 758	2 680 758	-	100,0%	2 153 314	2 153 314
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies	2 680 758	-	-	2 680 758	2 680 758	-	100,0%	2 153 314	2 153 314
Payments for capital assets	**(15 000)**	**15 000**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Machinery and equipment	(15 000)	15 000	-	-	-	-	-	-	-
Transport equipment	(15 000)	15 000	-	-	-	-	-	-	-
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**2 680 758**	**-**	**-**	**2 680 758**	**2 680 758**	**-**	**100,0%**	**2 153 314**	**2 153 314**

APPROPRIATION STATEMENT
for the year ended 31 March 2021

SUBPROGRAMME: 5.1: GAUTRAIN RAPID LINK									
	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	**15 000**	**(15 000)**	-	-	-	-	-	-	-
Goods and services	15 000	(15 000)	-	-	-	-	-	-	-
Property payments	15 000	(15 000)	-	-	-	-	-	-	-
Transfers and subsidies	**2 680 758**	**-**	**-**	**2 680 758**	**2 680 758**	**-**	**100,0%**	**2 153 314**	**2 153 314**
Departmental agencies and accounts	2 680 758	-	-	2 680 758	2 680 758	-	100,0%	2 153 314	2 153 314
Departmental agencies	2 680 758	-	-	2 680 758	2 680 758	-	100,0%	2 153 314	2 153 314
Payments for capital assets	**(15 000)**	**15 000**	-	-	-	-	-	-	-
Machinery and equipment	(15 000)	15 000	-	-	-	-	-	-	-
Transport equipment	(15 000)	15 000	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	**2 680 758**	**-**	**-**	**2 680 758**	**2 680 758**	**-**	**100,0%**	**2 153 314**	**2 153 314**

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2021

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-G) 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	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
ADMINISTRATION	334 933	314 878	20 055	6%
TRANSPORT INFRASTRUCTURE	2 182 619	1 790 721	391 898	18%
TRANSPORT OPERATIONS	2 854 953	2 083 940	771 013	27%
TRANSPORT REGULATION	324 733	251 765	72 968	22%
GAUTRAIN	2 680 758	2 680 758	-	0%

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Current payments	**2 216 800**	**1 880 960**	**335 840**	**15%**
Compensation of employees	769 687	705 571	64 116	8%
Goods and services	1 447 053	1 175 360	271 693	19%
Interest and rent on land	60	29	31	52%
Transfers and subsidies	**5 462 802**	**4 721 913**	**740 889**	**14%**
Provinces and municipalities	2 800	2 076	724	26%
Departmental agencies and accounts	2 680 758	2 680 758	-	0%
Public corporations and private enterprises	2 750 895	2 011 495	739 400	27%
Non-profit institutions	20 000	20 000	-	0%
Households	8 349	7 584	765	9%
Payments for capital assets	**698 394**	**519 189**	**179 205**	**26%**
Buildings and other fixed structures	681 813	515 302	166 511	24%
Machinery and equipment	15 990	3 836	12 154	76%
Intangible assets	591	51	540	91%

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2021

The Department incurred total under spending of R1.256 billion for the 2020/21 financial year. The breakdown of the under spending per programme is as follows:

1. Administration-R20.055 million

The under spending within this programme was due to unfilled vacant posts and the under-utilisation of other operational items during the COVID-19 lockdown period.

2. Transport Infrastructure-R391.898 million

The major under-spending within this programme was caused by the infrastructure projects.

- *The closure of the projects sites during the initial lockdown stages;*
- *The delays experienced in appointing service providers on some of the projects;*
- *Other administrative challenges experienced during the year on some projects;*

were all reasons of this higher than usual underspending within the infrastructure portfolio. The programme also had several unfilled vacant posts that exacerbated the underspending.

3. Transport Operations-R 771.013 million

This programme is responsible for the administration of the bus subsidies. The travel demands were drastically reduced during the financial year because of the COVID-19 lockdown period, and this resulted in massive underspending of the subsidies. Also, the delay in the appointment of the new bus contracts, the Did Not Operate (DNOs) and the payments due for March 2021 that could not be made before the payment cut-off date in March 2021 increased the underspending drastically.

4. Transport Regulations-R72.968 million

The underspending within this programme resulted from unfilled vacant posts, as well as the lower than usual operating licensing applications processed during the COVID-19 lockdown period.

4.3 Per conditional grant	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation R'000
Provincial Roads Maintenance Grant	677 663	677 429	234	0%
Expanded Public Works Programme Grant	9 970	9 970	-	0%
Public Transport Operations Grant	2 599 291	1 885 027	714 264	27%

GAUTENG DEPARTMENT OF ROADS AND TRANSPORT
VOTE 9

STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2021

	Note	2020/21 R'000	2019/20 R'000
REVENUE			
Annual appropriation	1	8 377 996	7 800 020
Departmental revenue	2	4 406 585	4 196 215
TOTAL REVENUE		**12 784 581**	**11 996 235**
EXPENDITURE			
Current expenditure			
Compensation of employees	3	705 573	673 426
Goods and services	4	1 175 361	1 601 968
Interest and rent on land	5	29	17
Total current expenditure		**1 880 963**	**2 275 411**
Transfers and subsidies			
Transfers and subsidies	7	4 721 910	4 330 252
		-	-
Total transfers and subsidies		**4 721 910**	**4 330 252**
Expenditure for capital assets			
Tangible assets	8	519 138	551 847
Intangible assets	8	51	5 291
Total expenditure for capital assets		**519 189**	**557 138**
Unauthorised expenditure approved without funding	9	**-**	**-**
Payments for financial assets		-	16
TOTAL EXPENDITURE		**7 122 062**	**7 162 817**
SURPLUS/(DEFICIT) FOR THE YEAR		**5 662 519**	**4 833 418**
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		1 255 934	637 203
Annual appropriation		541 436	215 511
Conditional grants		714 498	421 692
Departmental revenue and NRF Receipts	14	4 406 585	4 196 215
Aid assistance			
SURPLUS/(DEFICIT) FOR THE YEAR		**5 662 519**	**4 833 418**

GAUTENG DEPARTMENT OF ROADS AND TRANSPORT
VOTE 9

STATEMENT OF FINANCIAL POSITION
as at 31 March 2021

	Note	2020/21 R'000	2019/20 R'000
ASSETS			
Current assets		**1 356 108**	**1 023 374**
Cash and cash equivalents	*10*	1 351 416	1 020 049
Receivables	*12*	4 692	3 325
Non-current assets		**786**	**786**
Receivables	*12*	786	786
TOTAL ASSETS		**1 356 894**	**1 024 160**
LIABILITIES			
Current liabilities		**1 355 075**	**1 022 444**
Voted funds to be surrendered to the Revenue Fund	*13*	934 799	637 203
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	*14*	337 527	384 681
Payables	*15*	82 749	560
TOTAL LIABILITIES		**1 355 075**	**1 022 444**
NET ASSETS		**1 819**	**1 716**
Represented by:			
Recoverable revenue		1 819	1 716
TOTAL		**1 819**	**1 716**

GAUTENG DEPARTMENT OF ROADS AND TRANSPORT
VOTE 9

STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2021

	Note	2020/21	2019/20
		R'000	R'000
Recoverable revenue			
Opening balance		1 716	1 547
Transfers:		**103**	**169**
Irrecoverable amounts written off		-	(3)
Debts revised		-	-
Debts recovered (included in departmental receipts)		133	(145)
Debts raised		(30)	317
Closing balance		**1 819**	**1 716**
TOTAL		**1 819**	**1 716**

GAUTENG DEPARTMENT OF ROADS AND TRANSPORT
VOTE 9

CASH FLOW STATEMENT
for the year ended 31 March 2021

	Note	2020/21 R'000	2019/21 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		**12 463 446**	**11 996 235**
Annual appropriated funds received	1	8 056 861	7 800 020
Statutory appropriated funds received		-	-
Departmental revenue received	2.2	4 406 577	4 196 202
Interest received	2.	8	13
NRF Receipts		-	-
Aid assistance received		-	-
Net (increase)/decrease in working capital		80 822	(497)
Surrendered to Revenue Fund		(5 090 942)	(4 514 590)
Surrendered to RDP Fund/Donor		-	-
Current payments		(1 880 934)	(2 275 394)
Interest paid	5	(29)	(17)
Payments for financial assets		-	(16)
Transfers and subsidies paid		(4 721 910)	(4 330 252)
Net cash flow available from operating activities	16	**850 453**	**875 469**
CASH FLOWS FROM INVESTING ACTIVITIES			
Distribution/dividend received		-	-
Payments for capital assets	8	(519 189)	(557 138)
Proceeds from sale of capital assets		-	-
(Increase)/decrease in loans		-	-
(Increase)/decrease in investments		-	-
(Increase)/decrease in other financial assets		-	-
(Increase)/decrease in non-current receivables		-	-
Net cash flows from investing activities		**(519 189)**	**(557 138)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		103	169
Increase/(decrease) in non-current payables		-	-
Net cash flows from financing activities		**103**	**169**
Net increase/(decrease) in cash and cash equivalents		331 367	318 500
Cash and cash equivalents at beginning of period			
Unrealised gains and losses within cash and cash equivalents		1 020 049	701 549
Cash and cash equivalents at end of period	17	**1 351 416**	**1 020 049**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

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	**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.
10	**Prepayments and advances** Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost. Prepayments are expensed in line with the contractual agreement.
11	**Loans and receivables** Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.
12	**Financial assets**
12.1	**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.
12.2	**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.
13	**Payables** Payables recognised in the statement of financial position are recognised at cost.

15.1	**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.
15.2	**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.
15.3	**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.
15.4	**Capital commitments** Capital commitments are recorded at cost in the notes to the financial statements.
16	**Unauthorised expenditure** Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either: • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • transferred to receivables for recovery. Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.
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.

15.1	**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.
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	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	**Principal-Agent arrangements** The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the [principal / agent] and is responsible for [include details here]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.
22	**Departures from the MCS requirements** The Department has complied with the provision of Modified Cash Standard.
23	**Capitalisation reserve** The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.
24	**Recoverable revenue** Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
25	**Related party transactions** Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length. The number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.
26	**Inventories** At the date of acquisition, inventories are recognised at cost in the statement of financial performance. Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition. Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current

	replacement value. The cost of inventories is assigned by using the weighted average cost basis.
27	**Public-Private Partnerships** Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies. A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.
28	**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.
29	**Transfers of functions** Transfers of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer. Transfers of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.
30	**Mergers** Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger. Mergers are accounted for by the combining departments by derecognising or removing assets and liabilities at their carrying amounts at the date of the merger.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

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	334 933	329 805	5 128	383 279	383 279	-
Transport Infrastructure	2 182 619	2 082 413	100 206	2 240 490	2 240 490	-
Transport Operations	2 854 953	2 657 809	197 144	2 689 995	2 689 995	-
Transport Regulation	324 733	306 076	18 657	332 942	332 942	-
Gautrain	2 680 758	2 680 758	-	2 153 314	2 153 314	-
Total	**8 377 996**	**8 056 861**	**321 135**	**7 800 020**	**7 800 020**	**-**

1.2 Conditional grants

	Note	2020/21	2019/20
		R'000	R'000
Total grants received	*35*	3 286 924	3 209 966
Provincial grants included in Total Grants received		-	-

2. Departmental revenue

Tax revenue		4 357 924	4 135 192
Sales of goods and services other than capital assets	*2.1*	48 402	60 683
Interest, dividends and rent on land	*2.2*	8	13
Transactions in financial assets and liabilities	*2.3*	251	327
Total revenue collected		**4 406 585**	**4 196 215**
Less: Own revenue included in appropriation		-	-
Departmental revenue collected		**4 406 585**	**4 196 215**

2.1 Sales of goods and services other than capital assets

Sales of goods and services produced by the department	48 402	60 656
Sales by market establishment	361	429
*Administrative fees	45 368	54 984
Other sales	2 673	5 243
Sales of scrap, waste and other used current goods	-	27
Total	**48 402**	**60 683**

**Included in the administrative fees are monies collected by the Department in relation to permits for abnormal loads.*

2.2 Interest, dividends and rent on land

Interest	8	13
Total	**8**	**13**

2.3 Transactions in financial assets and liabilities

	Note	2020/21	2019/21
	2	R'000	R'000
Receivables		147	217
Stale cheques written back		-	2
Other Receipts including Recoverable Revenue		104	108
Total		**251**	**327**

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

	Annexure 1H		
Gauteng Department of Health		4 199	-
Anglogold Ashanti		445	-
Avbob		21	-
Calliper Consulting		10	-
National Department of Transport		27	-
Jordan Construction		111	-
King Civils engineering		42	-
Scientology		1 800	-
South African Taxi Donor		678	-
Clinix		-	-
Total		**7 333**	

The donations received by the Department related to non-monetary personal protective equipment (PPE) received by the Department for the benefit of Public Transport Commuters within Gauteng. The Department acted as a conduit in receiving such COVID-19 PPE for distribution and use amongst public transport operators.

3. Compensation of employees

3.1 Salaries and Wages

Basic salary	449 000	451 901
Performance award	5 148	9 631
Service Based	879	535
**Compensative/circumstantial	48 993	15 983
Periodic payments	12 630	8 530
Other non-pensionable allowances	85 567	86 685
Total	**602 217**	**573 265**

3.2 Social contributions

Employer contributions

Pension	58 154	58 668
Medical	44 907	41 327
UIF	34	-
Bargaining council	175	166
Insurance	86	-
Total	**103 356**	**100 161**
***Total compensation of employees**	**705 573**	**673 426**
Average number of employees	1 673	1 746

*Included within the total compensation of employees are monies paid in respect of personnel appointed on an interim basis to facilitate the established of the Transport Authority for Gauteng (TAG) as a fully-fledged public entity of the Department as provided for in terms of the Gauteng Transport Authority Bill of 2019.

**The Compensative/Circumstantial line item reflects a substantial increase due to an increased number of staff overtime claims and the stipend compensation payments made to individuals appointed by the Department on a short-term contract to assist in the sanitising of public transport facilities, vehicles and commuters as part of the Department's strategic response to minimising the negative impact of the COVID-19 pandemic on the public transport sector.

4. Goods and services

	Note	2020/21 R'000	2019/20 R'000
Administrative fees		5 199	3 913
Advertising		1 100	3 245
Minor assets	4.1	241	328
Bursaries (employees)		17	99
Catering		306	1 736
Communication		8 167	8 776
Computer services	4.2	11 380	27 718
Consultants: Business and advisory services	4.9	35 639	38 127
Infrastructure and planning services		30 741	26 985
Laboratory services		-	262
Legal services		16 431	14 831
*Contractors		916 017	1 248 622
Agency and support / outsourced services		-	150
Audit cost – external	4.3	6 025	7 706
Fleet services		11 093	8 987
Inventory	4.4	5 091	27 187
**Consumables	4.5	32 053	68 187
Operating leases		24 964	25 265
Property payments	4.6	61 963	60 594
Transport provided as part of the departmental activities		-	163
Travel and subsistence	4.7	5 996	13 474
Venues and facilities		2 797	5 517
Training and development		141	10 096
Other operating expenditure	4.8	-	-
Total		**1 175 361**	**1 601 968**

*The contractors line item relates to payments affected by the Department in relation to the outsourced routine road maintenance and repairs undertaken by the Department during the applicable financial periods. The comparative decrease is due to the negative impact of the COVID-19 pandemic and its related restrictions.

** The comparative decrease in consumables emanates from a reduction in purchases relating to stationery, printing and office supplies. This reduction stems from the implementation of COVID-19 restrictions and protocols within the operations of the Department.

4.1 Minor assets

	Note	2020/21	2019/20
	4	R'000	R'000
Tangible assets		**241**	**328**
Machinery and equipment		241	328
Total		**241**	**328**

4.2 Computer services

SITA computer services		-	1 982
External computer service providers		11 380	25 736
***Total**		**11 380**	**27 718**

**The comparative decrease in expenditure relating to computer services emanates from the reduction in the annual contractual Microsoft Licence fees that was paid for the year under review.*

4.3 Audit cost – External

Regularity audits	5 760	7 337
Computer audits	265	369
Total	**6 025**	**7 706**

4.4 Inventory

Clothing material and accessories		748	2 015
Learning, teaching and support material		-	-
Materials and supplies		2 581	18 816
Other supplies	*4.4.1*	1 762	6 356
Total		**5 091**	**27 187**

4.4.1 Other supplies

Other	1 762	6 356
Total	**1 762**	**6 356**

**The comparative decrease in inventory emanates from the reduction in the purchasing of road maintenance materials and a decrease in in the number of "face value" forms purchased by the Department. "Face Value" forms are used in the printing of motor vehicle licences and public transport permits. The comparative reduction in overall needs are due to the negative impact of the COVID-19 pandemic and its related restrictions.*

4.5 Consumables

Consumable supplies	2 661	1 677
Uniform and clothing	140	179
Household supplies	2 069	857
Building material and supplies	203	387
IT consumables	249	190
Other consumables	-	64
*Stationery, printing and office supplies	29 392	66 510
Total	**32 053**	**68 187**

** The comparative decrease in purchases relating to stationery, printing and office supplies emanates from the implementation of COVID-19 restrictions and protocols within the operations of the Department.*

4.6 Property payment

	Note	2020/21	2019/20
	4	R'000	R'000
Municipal services		27 468	29 137
*Other		34 495	31 457
Total		**61 963**	**60 594**

**The line item "other" contains payments made for security services within the Department.*

4.7 Travel and subsistence

Local	5 987	13 452
Foreign	9	22
***Total**	**5 996**	**13 474**

** The comparative decrease travel and subsistence emanates from the implementation of COVID-19 restrictions and protocols within the operations of the Department.*

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

		Note	2020/21	2019/20
		4	R'000	R'000
Name of Commission / Committee	**No. of members**			
The Commission of Inquiry into Taxi violence	*15*		10 702	-
Total			**10 702**	-

The commission of Inquiry into Taxi violence was established by the Premier of Gauteng Province in terms of section 127 (2) (e) of the constitution of the republic of South Africa. The primary role of the commission was among other things to enquire, investigate and report within recommendations the underlying reasons for the recurring conflicts, violence, fatalities and instability within the minibus taxi type service industry within the Gauteng province.

5. Interest and rent on land

Interest paid	29	17
Total	**29**	**17**

6. Payments for financial assets

Debts written off	*6.1*	-	16
Total		**-**	**16**

6.1 Debts written off

Nature of debts written off		
Debts written off	-	16
Total debt written off	**-**	16

7. Transfers and subsidies

	Note	2020/21	2019/20
		R'000	R'000
Provinces and municipalities	*36, Annexure 1A*	2 076	1 939
Departmental agencies and accounts	*Annexure 1B*	2 680 758	2 153 314
Public corporations and private enterprises	*Annexure 1C*	2 011 492	2 167 572
Non-profit institution	*Annexure 1D*	20 000	-
Households	*Annexure 1E*	7 584	7 427
Total		**4 721 910**	**4 330 252**

8. Expenditure for capital assets

Tangible assets		**519 138**	**551 847**
Buildings and other fixed structures	*33*	515 302	544 247
Machinery and equipment	*31*	3 836	7 600
Intangible assets		**51**	**5 291**
Software	*32*	51	5 291
Total		**519 189**	**557 138**

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

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	**519 138**	**-**	**519 138**
Buildings and other fixed structures	515 302	-	515 302
Machinery and equipment	3 836	-	3 836
Intangible assets	**51**	**-**	**51**
Software	51	-	51
Total	**519 189**	**-**	**519 189**

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

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	**551 847**	**-**	**551 847**
Buildings and other fixed structures	544 247	-	**544 247**
Machinery and equipment	7 600	-	**7 600**
Intangible assets	**5 291**	**-**	**5 291**
Software	5 291	-	**5 291**
Total	**557 138**	**-**	**557 138**

8.3 Finance lease expenditure included in Expenditure for capital assets

	Note	2020/21 R'000	2019/20 R'000
Tangible assets		**1 983**	**2 330**
*Machinery and equipment		1 983	2 330
Total		**1 983**	**2 330**

**The finance lease expenditure relates to motor vehicles obtained from g-FleeT under a finance lease agreement.*

9. Unauthorised expenditure

9.1 Reconciliation of unauthorised expenditure

	-	-
Total	**-**	**-**

The Department is alleged to have incurred Unauthorised expenditure relating to the management of Public Transport Operation Grant-Bus Subsidies. Such allegations and recommendations are contained in an investigation report initiated by the Gauteng Provincial Treasury. During 2019/20 financial year, the Head of Department accepted the forensic report and the alleged transgressors are being subjected to internal Departmental disciplinary processes In the process of implementing the recommendations of the report, it became evident that there are certain findings which require clarification from the Forensic Auditors to ensure appropriate implementation of the report

As clarification still needs to be sought from the forensic auditors, it will be impractical to list the items raised in the report as unauthorised expenditure. The Department will be engaging with the investigators as part of implementing the report and the assessment of progress on the implementation of the report will be performed in the following year's audit. Any confirmed unauthorised expenditure emanating from this process will be addressed appropriately in the forthcoming financial years in line with the requirements of the Modified Cash Standard.

10. Cash and cash equivalents

Consolidated Paymaster General Account	1 351 357	1 019 990
Cash on hand	59	59
Total	**1 351 416**	**1 020 049**

11. Prepayments and advances

Staff advances	-	-
Total	**-**	**-**

11.1 Prepayments (Expensed)

	Note	Amount as at 1 April 2020	Less: Received in the current year	Add or Less: Other	Add: Current Year prepayments	Amount as at 31 March 2021
		R'000	R'000	R'000	R'000	R'000
Goods and services		7 443	(7 440)	-	-	3
Total		**7 443**	**(7 440)**	**-**	**-**	**3**

	Note	Amount as at 1 April 2019	Less: Received in the current year	Add or Less: Other	Add: Current Year prepayments	Amount as at 31 March 2020
		R'000	R'000	R'000	R'000	R'000
Goods and services		27	(27)	-	7 443	7 443
Total		**27**	**(27)**	**-**	**7 443**	**7 443**

11.2 Advances paid (Expensed)

	Note	Amount as at 1 April 2020	Less: Received in the current year	Add or Less: Other	Add: Current Year advances	Amount as at 31 March 2021
		R'000	R'000	R'000	R'000	R'000
National departments		1 253	-	-	-	1 253
***Total**		**1 253**	**-**	**-**	**-**	**1 253**

**The advances paid relate to payments made to the National School of Government to conduct training to employees of the Department. However, the training schedule was negatively impacted by the implementation of COVID-19 restrictions and protocols within the operations of the Department.*

11.3 Advances paid (Expensed)

	Note	Amount as at 1 April 2019	Less: Received in the current year	Add or Less: Other	Add: Current Year advances	Amount as at 31 March 2020
		R'000	R'000	R'000	R'000	R'000
National departments		-	-	-	1 253	1 253
Total		**-**	**-**	**-**	**1 253**	**1 253**

12. 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	*12.1*	1 325	-	1 325	448	-	448
Recoverable expenditure	*12.2*	430	-	430	193	-	193
Staff debt	*12.3*	2 937	-	2 937	2 684	-	2 684
Other receivables	*12.4*	-	786	786	-	786	786
Total		**4 692**	**786**	**5 478**	**3 325**	**786**	**4 111**

12.1 Claims recoverable

	Note 12	2020/21 R'000	2019/20 R'000
National departments		36	-
Provincial departments		154	-
Public entities		1 135	448
Total		**1 325**	**448**

12.2 Recoverable expenditure (disallowance accounts)

Deposit Account:Dom	400	180
Sal:Tax Debt:CA	1	13
Sal:Reversal Control:Dom	14	-
Sal:Deduction Disall Acc:CA	1	-
Sal:Garnishee Order:CL	14	-
Total	**430**	**193**

12.3 Staff debt

Breach of Contract Ex-Employee	300	286
Employee	156	193
Ex-Employee	2 376	2 104
Supplier	105	101
***Total**	**2 937**	**2 684**

** The Department charges interest on the debt of ex-employees in line with the prescribed interest rate as issued and updated by National Treasury.*

12.4 Other receivables

Other	786	786
Total	**786**	**786**

** Included in other debtors is an amount that relates to security deposit for the building leased for the Xavier Driver Licence Testing Centre (DLTC).*

12.5 Impairment of receivables

Estimate of impairment of receivables	93	134
Total	**93**	**134**

13. Voted funds to be surrendered to the Revenue Fund

Opening balance	637 203	359 603
Prior period error	-	-
As restated	637 203	359 603
Transfer from statement of financial performance (as restated)	1 255 934	637 203
Voted funds not requested/not received	(321 135)	-
Paid during the year	(637 203)	(359 603)
Closing balance	**934 799**	**637 203**

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

	Note	2020/21 R'000	2019/20 R'000
Opening balance		384 681	343 453
Prior period error		-	-
As restated		384 681	343 453
Transfer from Statement of Financial Performance (as restated)		4 406 585	4 196 215
Paid during the year		(4 453 739)	(4 154 987)
Closing balance		**337 527**	**384 681**

15. Payables – current

	Note		
Other payables	*15.1*	82 749	560
Total		**82 749**	**560**

15.1 Other payables

Sal: Income Tax: CL	*15*	374	344
Bank Adjustment: Dom		209	164
*Outstanding payments: Dom		81 747	-
Sal: Persal EBT Control Acc: Dom		304	-
EBT Rejection ACC:Dom		-	40
Sal: Garnishee Order: CL		-	6
Telephone Control Acc: CL		99	-
Sal: Pension Fund: CL		16	-
Sal: Reversal Control: CA		-	6
Total		**82 749**	**560**

** The comparative increase in outstanding payment: dom emanates from processed payments in March 2021 but only disbursed in April 2021 due to system technical clinches.*

16. Net cash flow available from operating activities

Net surplus/(deficit) as per Statement of Financial Performance	5 662 519	4 833 418
Add back non-cash/cash movements not deemed operating activities	(4 812 066)	(3 957 949)
(Increase)/decrease in receivables	(1 367)	(690)
Increase/(decrease) in payables – current	82 189	193
Expenditure on capital assets	519 189	557 138
Surrenders to Revenue Fund	(5 090 942)	(4 514 590)
Voted funds not requested/not received	(321 135)	-
Net cash flow generated by operating activities	**850 453**	**875 469**

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

Consolidated Paymaster General account	1 351 357	1 019 990
Cash on hand	59	59
Total	**1 351 416**	**1 020 049**

18. Contingent liabilities and contingent assets

18.1 Contingent liabilities

	Note	2020/21 R'000	2019/20 R'000
Liable to Nature			
Claims against the department	*Annex 2*	303 807	296 067
Intergovernmental payables (unconfirmed balances)	*Annex 4*	11 057	4 419
*Other	*Annex 2*	-	-
Total		**314 864**	**300 486**

**Other: The Department on behalf of the Gauteng Province has in existence a concession agreement with Bombela Consortium for the design, construction and operation of a rapid rail link between Pretoria and Johannesburg, and Johannesburg and O.R. Tambo International Airport, consisting of 80km's of rail and 10 stations. Included as part of the concession agreement are the terms and conditions under which a Patronage Guarantee is paid to the Concessionaire to ensure sustained quality services.*

The amount paid is assessed on the difference between Minimum Required Total Revenue and the Actual Total Revenue as defined in the Concession Agreement after considering the actual performance of the Concessionaire during the period under review. It is foreseen that a Patronage Guarantee will be paid for the next 12 months. However, no reliable estimate of the amount payable can be established at this stage of the process due to the uncertainty surrounding the nature and timing of the events that contribute to the determination of the Patronage Guarantee. The management and oversight of the concession agreement for the Gautrain Rapid Rail Link Project is undertaken by the Gautrain Management Agency, a schedule 3C provincial public entity which was established in terms of the Gautrain Management Act, Act No 5 of 2006.

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.

18.2 Contingent assets

	Note	2020/21 R'000	2019/20 R'000
Nature of contingent asset			
Construction of Road K174 interchange (R42) with R59 (P156-2)		82 822	82 822
Design and review of various intersections within Allandale and Woodmead Road		97 410	97 410
Construction for the upgrade of provincial road 374 (Beyers Naude Avenue) between Peter Road and the N14		10 000	10 000
Total		**190 232**	**190 232**

The Department discloses contingent assets in line with the Modified Cash Standard. The currently disclosed contingent assets arise from contribution agreements signed between a property developer and the Department. The contribution agreements provide for a possible asset to the Department in the form of various contributions that are relevant to the applicable project. The realisation of these various contribution will only be determined on the completion of the applicable project. The following projects are disclosed as contingent assets during the year under review.

The amount disclosed is the best estimate of the potential financial effect for the department:
Road K174-The scope of work to be undertaken constitutes the investigation, survey, preliminary design, detail design, construction and monitoring of the project by a Professional Civil Engineer (ECSA registered).

Allandale and Woodmead road- The scope of work to be undertaken constitutes the investigation, survey, preliminary design, detail design, construction and monitoring of the project by a Professional Civil Engineer (ECSA registered).

Road 374- The scope of work to be undertaken constitutes the investigation, survey, preliminary design, detail design, construction and monitoring of the project by a Professional Civil Engineer (ECSA registered).

19. Capital commitments

	Note	2020/21 R'000	2019/20 R'000
Buildings and other fixed structures		676 098	1 011 082
***Total**		676 098	**1 011 082**

**The comparative decrease emanates from the expiry of contracts and the reduction number of new contracts entered for the year under review.*

20. Accruals and payables not recognised

20.1 Accruals

Listed by economic classification

	30 Days	30+ Days	Total	Total
Goods and services	38 387	-	38 387	13 086
Transfers and subsidies	135 049	-	135 049	24
Capital assets	74 463	-	74 463	35 908
Other	8 232	-	8 232	34 430
Total	**256 131**	**-**	**256 131**	**83 448**

20.2 Payables not recognised

Listed by economic classification

	30 Days	30+ Days	Total	Total
Goods and services	19 873	-	19 873	1 234
Transfers and subsidies	442	-	442	-
Capital assets	-	-	-	21 669
Other	29 905	-	29 905	-
Total	**50 220**	**-**	**50 220**	**22 903**

Listed by programme level			
Administration		12 310	1 159
Transport Infrastructure		3 957	21 744
Transport Operations		-	-
Transport Regulation		33 953	-
Total		**50 220**	**22 903**
Included in the above totals are the following:			
Confirmed balances with other departments	*Annex 4*	4 765	682
Confirmed balances with other government entities	*Annex 4*	45 083	36 328
Total		**49 848**	**37 010**

21. Employee benefits

	Note	2020/21	2019/20
		R'000	R'000
*Leave entitlement		60 224	39 642
Service bonus		19 144	19 623
Performance awards		3 794	5 993
Capped leave		16 055	19 000
**Other		487	981
Total		**99 704**	**85 239**

Included herein is negative leave entitlement to the value of **R 108,955.49 which occurred as a result of the pro-rata calculation of leave taken as at 31 March 2021.*

***This estimate amount is mainly relating to long service awards due to employees for serving the Department for longer than 20,30 and 40 years respectively.*

22. Lease commitments

22.1 Operating leases

2020/21	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	17 084	5 214	22 298
Later than 1 year and not later than 5 years	-	-	66 328	885	67 213
Later than five years	-	-	-	-	-
***Total lease commitments**	**-**	**-**	**83 412**	**6 099**	**89 511**

2019/20	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	6 024	8 705	14 729
Later than 1 year and not later than 5 years	-	-	-	4 351	4 351
Later than five years	-	-	-	-	-
Total lease commitments	**-**	**-**	**6 024**	**13 056**	**19 080**

Included in the operating lease commitment is the lease agreement relating to the leased facilities at the Driving Licence Testing Centre (Xavier Junction Premises) which expires in 2025. The future minimum lease payments expected to be made for the next twelve months and not later than five years is **R17.084 million and **R66.328 million** respectively. These figures include an annual escalation of 6%. In addition to the above balance, the Department through Gauteng Department of Infrastructure Development is currently negotiating a new lease agreement for Kliptown Driving License Testing Centre as the initial contract has since expired.*

22.2 Finance leases **

2020/21	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	-	3 793	3 793
Later than 1 year and not later than 5 years	-	-	-	998	998
Later than five years	-	-	-	-	-
Total lease commitments	**-**	**-**	**-**	**4 791**	**4 791**

2019/20	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	-	2 416	2 416
Later than 1 year and not later than 5 years	-	-	-	985	985
Later than five years	-	-	-	-	-
Total lease commitments	**-**	**-**	**-**	**3 401**	**3 401**

23. Accrued departmental revenue

	Note	2020/21 R'000	2019/20 R'000
Tax revenue		693 616	535 528
Total		**693 616**	**535 528**

23.1 Analysis of accrued departmental revenue

Opening balance	535 528	519 285
Less: amounts received	(4 357 924)	(4 135 192)
*Add: amounts recorded	4 516 012	4 172 572
Less: amounts written-off/reversed as irrecoverable	-	(21 137)
Closing balance	**693 616**	**535 528**

**In terms of the signed service level agreements (SLA), the Department levies interest revenue collected on behalf of the Department by the approved agencies in relation to Motor Vehicle Licence and Registration but which has not yet been paid over to the Department at financial year end.*

23.2 Accrued department revenue written off

Nature of losses		
Writing off interest in relation to outstanding road traffic act fees	-	21 137
Total	**-**	**21 137**

24. Irregular expenditure

24.1 Reconciliation of irregular expenditure

	Note	2020/21	2019/20
		R'000	R'000
Opening balance		6 638 889	4 471 314
Add: Irregular expenditure – relating to current year		2 013 176	2 167 575
Less: Prior year amounts condoned		(4 291 752)	-
Closing balance		**4 360 313**	**6 638 889**
Analysis of closing balance			
Current year		2 013 176	2 167 575
Prior years		2 347 137	4 471 314
Total		**4 360 313**	**6 638 889**

24.2 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
Extension of Bus subsidy contracts devolved from National Department of Transport (NDoT),	The Department will refer this expenditure to the Gauteng Provincial Treasury for purposes of condonation	2 011 495
Procurement processes not adequately followed	The matter has been referred to the Department's investigative unit for investigation	1 176
No valid Tax Clearance Certificate	The will be referred for investigation	505
Total		**2 013 176**

24.3 Details of irregular expenditure condoned

Incident	Condoned by (relevant authority)	2020/21 R'000
Extension of Bus subsidy contracts devolved from National Department of Transport (NDoT),	Gauteng Provincial Treasury	4 291 752
Total		**4 291 752**

In addition to above irregular expenditure, the Department is alleged to have incurred irregular expenditure relating to the construction of road K46 (P79/1) between PWV5 and N14 (P158/2) (Diepsloot) – Phase 2 as well on management of Public Transport Operation Grant (PTOG)- Bus subsidies. Such allegations and recommendations are contained in an investigation reports initiated by the Gauteng Provincial Treasury. During 2019/20 financial year, the Head of Department accepted the forensic reports. In the process of implementing the recommendations of the report, it became evident that there are certain findings which require clarification from the Forensic Auditors to ensure appropriate implementation of the reports.

As clarification still needs to be sought from the forensic auditors, it will be impractical to list the items raised in the reports as irregular expenditure. The Department will be engaging with the investigators as part of implementing the reports and the assessment of progress on the implementation of the reports will be performed in the following year's audit. Any confirmed irregular expenditure emanating from this process will be addressed appropriately in the forthcoming financial years in line with the requirements of the Modified Cash Standard.

25. Fruitless and wasteful expenditure

25.1 Reconciliation of fruitless and wasteful expenditure

	Note	2020/21	2019/20
		R'000	R'000
Opening balance		59 498	59 226
Fruitless and wasteful expenditure – relating to current year		87	272
Less: Amounts written off		(45 626)	-
Closing balance		**13 959**	**59 498**

In addition to above fruitless and wasteful expenditure, the Department is alleged to have incurred irregular expenditure relating to the construction of road K46 (P79/1) between PWV5 and N14 (P158/2) (Diepsloot) – Phase 2 as well on management of Public Transport Operation Grant (PTOG)- Bus subsidies. Such allegations and recommendations are contained in an investigation reports initiated by the Gauteng Provincial Treasury. During 2019/20 financial year, the Head of Department accepted the forensic reports and the alleged transgressors are being subjected to internal Departmental disciplinary processes. the implicated personnel have been put on special leave to enable the Department to implement the findings of the report. In the process of implementing the recommendations of the report, it became evident that there are certain findings which require clarification from the Forensic Auditors to ensure appropriate implementation of the reports.

As clarification still needs to be sought from the forensic auditors, it will be impractical to list the items raised in the reports as fruitless and wasteful expenditure. The Department will be engaging with the investigators as part of implementing the reports and the assessment of progress on the implementation of the reports will be performed in the following year's audit. Any confirmed fruitless and wasteful expenditure emanating from this process will be addressed appropriately in the forthcoming financial years in line with the requirements of the Modified Cash Standard.

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

Incident	Disciplinary steps taken/criminal proceedings	2020/21
		R'000
Various contractual obligations	The matter will be referred for investigation	86
Eskom -Interest paid on late payments	The matter will be referred for investigation	1
Total		**87**

26. Related party transactions

Tax revenue	-	-
Total	**-**	**-**

*The Gauteng Department of Roads and Transport is related to its two (2) entities under the control of the MEC; g-FleeT Management and Gautrain Management Agency (GMA). Below are transactions made to both entities during the financial year (2020/21): g-Fleet Management - **R 24.5 million** payments made for fleet services and salaries, these transactions were at arm's length. Gautrain Management Agency (GMA) **R 2.6 billion** (Total value of transfer payments made as at 31 March 2021).*

*Key Management Personnel are deemed to be related parties for 2020/21 financial year a total amount of **R 22.155 million** was paid as compensation to Key Management Personnel. Please refer to note 27 for a detailed breakdown of payments made in 2020/21 financial year as compensation to Key Management Personnel. In addition, two Gauteng Provincial Departments Namely Department of Health and Department of Infrastructure Development were requested to procure Covid-19 Personnel Protective Equipment and sanitizers as part of Province's response to the COVID-19 pandemic.*

27. Key management personnel

	No. of Individuals	2020/21	2019/20
		R'000	R'000
Political office bearers (provide detail below)	1	1 978	1 789
Officials:			-
*Level 15 to 16	6	10 810	5 067
Level 14	7	9 367	9 734
Family members of key management personnel	-	-	-
Total		**22 155**	**16 590**

The key management personnel identified by the Department are those persons having the authority and responsibility for planning, directing and controlling the activities of the department and can exercise significant influence and the power to participate in the financial and operating policy decision of the Department.

Included in this amount is remuneration paid during the financial year to an individual who was contracted-in by the Department to perform the functions of Acting Chief Financial Officer for a period of 6 months. In addition, this balance includes nine months' salary paid to the Acting Chief Executive Officer for Gauteng Transport Authority to the value of **R4.1 million.*

28. Public Private Partnership

	Note	2020/21	2019/20
		R'000	R'000
Concession fee received		**2 680 758**	**2 153 314**
MTEF		2 680 758	2 153 314

The Department on behalf of the Gauteng Province has in existence a concession agreement with Bombela Consortium for the design, construction and operation of a rapid rail link between Pretoria and Johannesburg, and Johannesburg and O.R. Tambo International Airport, consisting of 80km's of rail and 10 stations. The management and oversight of the concession agreement for the Gautrain Rapid Rail Link Project is undertaken by the Gautrain Management Agency (GMA), a schedule 3C provincial public entity which was established in terms of the Gautrain Management Act, Act No 5 of 2006.

*During the end of March 2021, The Department transferred **R 2.680 billion** to ensure business continuity and service delivery. For additional information pertaining to Gautrain asset please refer to GMA Annual Report.*

29. Provisions

	Note	2020/21 R'000	2019/20 R'000
Retention		15 239	29 423
Total		**15 239**	**29 423**

29.1 Reconciliation of movement in provisions – 2020/21

	Provision 1 R'000	Provision 2 R'000	Provision 3 R'000	Total provisions R'000
Opening balance	29 423	-	-	29 423
Increase in provision	4 091	-	-	4 091
Settlement of provision	(16 726)	-	-	(16 726)
Unused amount reversed	(1 549)	-	-	(1 549)
Closing balance	**15 239**	**-**	**-**	**15 239**

Reconciliation of movement in provisions – 2019/20

	Provision 1 R'000	Provision 2 R'000	Provision 3 R'000	Total provisions R'000
Opening balance	37 942	-	-	37 942
Increase in provision	10 762	-	-	10 762
Settlement of provision	(22 641)	-	-	(22 641)
Unused amount reversed	3 360	-	-	3 360
Closing balance	**29 423**	**-**	**-**	**29 423**

30. Non-adjusting events after reporting date

Nature of event	2020/21 R'000
	-
Total	**-**

31. Movable Tangible Capital Assets

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

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	**484 648**	**-**	**1 752**	**-**	**486 400**
Transport assets	**366 743**	-	-	-	**366 743**
Computer equipment	54 385	-	1 571	-	55 956
Furniture and office equipment	24 585	-	-	-	24 585
Other machinery and equipment	38 935	-	181	-	39 116
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**484 648**	**-**	**1 752**	**-**	**486 400**

31.1 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	**3 836**	**-**	**(1 983)**	**(101)**	**1 752**
Transport assets	779	-	(779)	-	-
Computer equipment	1 571	-	-	-	1 571
Furniture and office equipment	-	-	-	-	-
Other machinery and equipment	1 486	-	(1,204)	(101)	181
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	**3 836**	**-**	**(1 983)**	**(101)**	**1 752**

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	1 634	35 302

*Included in the asset register are year-end unverified assets totalling **R35.3 million.** The COVID-19 pandemic and its related restrictions and protocols has impacted negatively on the Department's annual verification process. The unverified items have been clearly identified as not yet verified within the asset register and are being followed up on through internal investigation processes in order identify the need for any adjustments to the asset register. These adjustments if necessary will be undertaken during the 2021/2022 financial year in line with the requirements of the Modified Cash Standard.*

31.2 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	**481 370**	**(1 812)**	**5 114**	**(24)**	**484 648**
Transport assets	368 562	(1 819)	-	-	366 743
Computer equipment	51 205	10	3 184	(14)	54 385
Furniture and office equipment	24 342	-	243	-	24 585
Other machinery and equipment	37 261	(3)	1 687	(10)	38 935
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**481 370**	**(1 812)**	**5 114**	**24**	**484 648**

31.2.1 Prior period error

	Note	2019/20 R'000
Nature of prior period error		
Relating to 2019/20		**(1 812)**
Value adjustment erroneously overstated		7
Disposal of Earthmoving Plant		(1 819)
Total prior period errors		**(1 812)**

31.3 Minor assets

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

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	21	-	40 593	-	40 614
Additions	-	-	-	460	-	460
Disposals	-	-	-	-		-
TOTAL MINOR ASSETS	**-**	**21**	**-**	**41 053**	**-**	**41 074**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	133	-	133
Number of minor assets at cost	-	8	-	30 184	-	30 192
TOTAL NUMBER OF MINOR ASSETS	**-**	**8**	**-**	**30 317**	**-**	**30 325**

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	7 085	10 337

*Included in the asset register are year-end unverified assets totalling **R10.3 million.** The COVID-19 pandemic and its related restrictions and protocols has impacted negatively on the Department's annual verification process. The unverified items have been clearly identified as not yet verified within the asset register and are being followed up on through internal investigation processes in order identify the need for any adjustments to the asset register. These adjustments if necessary will be undertaken during the 2021/2022 financial year in line with the requirements of the Modified Cash Standard.*

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

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance		21	-	40 277	-	40 298
Prior period error		-	-	-	-	-
Additions		-	-	328	-	328
Disposals		-	-	(12)	-	(12)
TOTAL MINOR ASSETS		**21**	**-**	**40 593**	**-**	**40 614**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets		-	-	133	-	133
Number of minor assets at cost		8	-	29 828	-	29 836
TOTAL NUMBER OF MINOR ASSETS		**8**	**-**	**29 961**	**-**	**29 969**

31.4 Movable assets written off

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

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Assets written off	-	-	-	-	-	-
TOTAL MOVABLE ASSETS WRITTEN OFF	**-**	**-**	**-**	**-**		**-**

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

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Assets written off	-	-	-	-	-	--
TOTAL MOVABLE ASSETS WRITTEN OFF	**-**	**-**	**-**	**-**	**-**	**-**

32. Intangible Capital Assets

	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
SOFTWARE	43 848	51	-	43 899
TOTAL INTANGIBLE CAPITAL ASSETS	**43 848**	**51**	-	**43 899**

32.1 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	51	-	-	-	51
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	**51**	-	-	-	**51**

32.2 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	25 793	-	18 055	-	43 848
TOTAL INTANGIBLE CAPITAL ASSETS	**25 793**	-	**18 055**	-	**43 848**

33. Immovable Tangible Capital Assets

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

	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**40 918 487**	**223 491**	**(71 341)**	**41 070 637**
Other fixed structures	40 918 487	223 491	(71 341)	41 070 637
LAND AND SUBSOIL ASSETS	**385 897**	**82 976**	-	**468 873**
Land	385 897	82 976	-	468 873
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	**41 304 384**	**306 467**	**(71 341)**	**41 539 510**

33.1 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	**432 326**	**101 931**	**(310 766)**	**-**	**223 491**
Other fixed structures	432 326	101 931	(310 766)	-	223 491
LAND AND SUBSOIL ASSETS	**82 976**	**-**	**-**	**-**	**82 976**
Land	82 976	-	-	-	82 976
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	**515 302**	**101 931**	**(310 766)**	**-**	**306 467**

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	**-**	**71 341**	**71 341**	**-**
Other fixed structures	-	71 341	71 341	-
TOTAL DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS	**-**	**71 341**	**71 341**	**-**

33.2 Movement for 2019/20

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

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**40 421 969**	**(656)**	**497 174**	**-**	**40 918 487**
Other fixed structures	40 421 969	(656)	497 174	-	40 918 487
LAND AND SUBSOIL ASSETS	**350 629**	**-**	**35 268**	**-**	**385 897**
Land	350 629		35 268	-	385 897
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	**40 772 598**	**(656)**	**532 442**	**-**	**41 304 384**

33.2.1 Prior period error

	Note	2019/20 R'000
Nature of prior period error		
Relating to 2019/20		
Adjustment relating to carrying cost of a previously constructed DLTC		(656)
Total		**(656)**

The prior period error emanates from a correction in the carrying cost of upgrade to the Mabopane DLTC which has been transferred during the financial year to the Gauteng Department of Infrastructure Development.

33.3 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
	Annexure 7	R'000	R'000	R'000	R'000
Buildings and other fixed structures		1 133 761	432 326	223 491	1 342 596
TOTAL		**1 133 761**	**432 326**	**223 491**	**1 342 596**

	Number of projects		2020/21
Age analysis on ongoing projects	**Planned, Construction not started**	**Planned, Construction started**	**Total R'000**
0 to 1 Year	11	6	878 842
1 to 3 Years	15	3	358 962
3 to 5 Years	14	1	104 792
Longer than 5 Years	-	-	-
Total	**40**	**10**	**1 342 596**

Payables not recognised relating to Capital WIP	***Note***	**2020/21**	**2019/20**
[Capital Assets par .103(c)]		**R'000**	**R'000**
Relating to project K54 and P241		8 443	9 642
Total		**8 443**	**9 642**

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2020

	Note *Annexure 7*	**Opening balance 1 April 2019 R'000**	**Prior period error R'000**	**Current Year WIP R'000**	**Ready for use (Assets to the AR) / Contracts terminated R'000**	**Closing balance 31 March 2020 R'000**
Buildings and other fixed structures		1 679 125	(548 469)	508 979	(505 874)	1 133 761
Intangible assets		11 513	-	5 291	(16 804)	-
TOTAL		**1 690 638**	**(548 469)**	**514 270**	**(522 678)**	**1 133 761**

The prior period error emanates from an extensive exercise undertaken by the Department to re-examine the Department's capital work in progress schedule in line with the current state of implementation of projects.

	Number of projects		**2019/20**
Age analysis on ongoing projects	**Planned, Construction not started**	**Planned, Construction started**	**Total R'000**
0 to 1 Year	16	1	670,007
1 to 3 Years	28	8	358 962
3 to 5 Years	79	7	104 792
Total	**123**	**16**	**1 133 761**

33.4 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	**5**	**435 412**
Other fixed structures	5	435 412
TOTAL	**5**	**435 412**

The above relates to both building infrastructure assets and road infrastructure assets. The building infrastructure assets relate to completed Driving Licence Testing Centres which are subject to be transferred to the Department of Infrastructure Development during 2021/22 financial year as the custodian of all building infrastructure within the Gauteng Province. The road infrastructure assets relate to the roads portion associated with the Moloto Road which will be subject to formal transfer to SANRAL.

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	**4**	**128 997**
Non-residential buildings	4	128 997
TOTAL	**4**	**128 997**

34. Principal-agent arrangements

34.1 Department acting as the principal

	2020/21 R'000	2019/20 R'000
Ekurhuleni Metropolitan Municipality	313 727	345 685
Mogale City	24 967	29 011
Sedibeng Municipality	56 051	75 231
City of Johannesburg	262 823	307 142
Tshwane Metropolitan Municipality	189 879	191 867
South African Post Services	191 346	173 651
Randwest	16 894	21 694
Total	**1 055 687**	**1 144 281**

The above municipalities are collecting revenue on behalf of the Department in terms of the Road Traffic Act. For the service, they render on behalf of the Department they are entitled to a range between 20% or 100% agency fee (commission) as per signed service level agreement.

If these municipalities fail to deposit net revenues collected to the Department for a period of two months, the Department will cut the supply of the face value forms for three (3) or more months. In addition, where continuous deficiencies are identified, the Department will assign management and supervisory staff to oversee the operations of this function within the defaulting municipality and should the misadministration or unacceptable performance perpetuate then the function to perform Registering and Testing Authority will be withdrawn.

In the event where the principal arrangement is terminated, the municipality is required to pay over any outstanding amounts owing, return all the computer equipment's purchased for the purposes of administering this function and lastly the Department at its own expense will remove these equipment's from the municipal premises.

**Merafong is under administration thus surrender 100% of collected revenue to the Department.*

The Department of Infrastructure Development (DID) is facilitating the projects of rehabilitation maintenance and construction of DLTCs on behalf of the Department. No agency fees were paid to DID in the current financial year.

The Gautrain Management Agency (GMA) was established to co-ordinate, manage and play an oversight role in terms of the implementation and operational side of Gautrain Rapid Rail Link Project. For additional information pertaining to transfers to GMA please refer to Note 8 and 27.

The City of Tshwane Metropolitan Municipality (CoT) is providing subsidised bus service for Mamelodi and Southern, Eastern, Northern and Pretoria CBD on behalf of the Department. No agency fees were paid to the City of Tshwane in the current financial year.

34.2 Department acting as the agent

34.2.1 Revenue received for agency activities

	2019/20 R'000	2020/21 R'000
	-	-
Total	-	-

The Department is collecting Pay As You Earn (PAYE) on behalf of South African Revenue Services (SARS) as required by Income Tax Act, no agency fees have been received in this regard.

35. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF GRANT	GRANT ALLOCATION					SPENT				2019/20	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjust-ments	Other Adjust-ments	Total Available	Amount received by depart-ment	Amount spent by depart-ment	Under / (Overspending)	% of available funds spent by depart-ment	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Public Transport Operations Grant	2 599 291				2 599 291	2 599 291	1 885 027	714 264	73%	2 436 074	2 014 534
Provincial Roads Maintenance Grant	632 172			45 491	677 663	677 663	677 429	234	100%	767 506	767 354
Expanded Public Works Programme Grant	970				9 970	9 970	9 970	-	100%	6 386	6 386
TOTAL	**3 241 433**	**-**	**-**	**45 491**	**3 286 924**	**3 286 924**	**2 572 426**	**714 498**		**3 209 966**	**2 788 274**

36. 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
City of Tshwane - Mun B/Acc: Vehicle Licences Mun)	2 800	-	-	2 800	2 076	-	-	2 300	1 939
TOTAL	**2 800**	**-**	**-**	**2 800**	**2 076**	**-**	**-**	**2 300**	**1 939**

37. BROAD BASED BLACK ECONOMIC EMPOWERMENT PERFORMANCE

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

38. COVID 19 Response Expenditure

	Note	2020/21	2019/20
	Annexure 7	R'000	R'000
*Compensation of employees		26 112	-
Goods and services		2 097	-
Total		**28 209**	**-**

**This balance is mainly relating to Cadets which were appointed within the Minibus Taxi Industry to among other things implement post lockdown measures to prevent the spread of Covid-19 in the Public Transport Industry and to disinfects Minibus taxis, sanitise commuter's hands and clean common Public Transport areas in Gauteng.*

GAUTENG DEPARTMENT OF ROADS AND TRANSPORT
VOTE 9

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 1A

STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

	GRANT ALLOCATION				TRANSFER			SPENT				2019/20	
NAME OF MUNICIPALITY	DoRA and other transfers	Roll Overs	Adjust-ments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Depart-ment	Amount received by munici-pality	Amount spent by municipality	Unspent funds	% of available funds spent by munici-pality	Division of Revenue Act	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
City of Tshwane - Mun B/Acc: Vehicle Licences Mun)	2 800	-	-	2 800	2 076	-	-	-	-	-	-	2 300	1 939
TOTAL	**2 800**	**-**	**-**	**2 800**	**2 076**	**-**	**-**	**-**	**-**	**-**		**2 300**	**1 939**

GAUTENG DEPARTMENT OF ROADS AND TRANSPORT
VOTE 9

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

	TRANSFER ALLOCATION				TRANSFER		2019/20
DEPARTMENTAL AGENCY/ ACCOUNT	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
Prov DA: Gautrain Man Agency	2 680 758	-	-	2 680 758	2 680 758	100%	2 153 314
TOTAL	**2 680 758**	**-**	**-**	**2 680 758**	**2 680 758**		**2 153 314**

ANNEXURE 1C

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

	TRANSFER ALLOCATION				EXPENDITURE				2019/20
NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	Adjusted Appro-priation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Capital	Current	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Public Corporations									
Subsidies	**2 750 895**	**-**	**-**	**2 750 895**	**2 011 492**	**73,1%**	-	**2 011 492**	**2 615 700**
Public Transport Operations Grant	2 599 291	-	-	2 599 291	1 885 024	72,5%	-	1 885 024	2 436 074
North West Star Demarcation	151 604	-	-	151 604	126 468	83,4%	-	126 468	179 626
TOTAL	**2 750 895**	**-**	**-**	**2 750 895**	**2 011 492**	**73,1%**	**-**	**2 011 492**	**2 615 700**

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ANNEXURE 1D

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

	TRANSFER ALLOCATION				EXPENDITURE		2019/20
NON-PROFIT INSTITUTIONS	Adjusted Appro-priation Act	Roll overs	Adjust-ments	Total Available	Actual Transfer	% of Available funds transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Gauteng Taxi Industry Trust	20 000	-	-	20 000	20 000	100%	-
TOTAL	**20 000**	**-**	**-**	**20 000**	**20 000**	**100%**	**-**

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ANNEXURE 1E

STATEMENT OF TRANSFERS TO HOUSEHOLDS

	TRANSFER ALLOCATION				EXPENDITURE		2019/20
HOUSEHOLDS	Adjusted Appro-priation Act	Roll Overs	Adjust-ments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
H/H:Empl S/Ben:Injury on duty	1 866	-	-	1 866	109	6%	2 953
H/H:Empl S/Ben:Leave gratuity	2 918	-	-	2 918	3 971	136%	3 804
H/H:Claims Against State (Cash)	-	-	-	-	3 504		1 237
H/H Empl s/Ben:PST Retirtmt Benefit	60	-	-	60	-	0%	1 754
TOTAL	**4 844**	**-**	**-**	**4 844**	**7 584**	**-**	**9 748**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 1F

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2020/21 R'000	2019/20 R'000
Received in kind			
Gauteng Department of Health	Sanitization 25l (1 824 quantity) and 500ml (25 700 quantity)	4 199	-
AngloGold Ashanti	1000 litres*52 water tanks	445	-
Avbob	Disinfectants solution	21	-
Calliper	1000 surgical face masks	10	-
NDOT	130 overalls	27	-
Jordan Construction	12*25 litres Hand Sanitizers, 12*25 litres Surface disinfectant, 6*25 litres hand Sanitizers, 6*25 litres disinfectants, 150 reusable face musk	111	-
King civil engineering	150 face shields	42	-
Scientology	Sanitization services, 30*30 pressure high sprayers, 25L*100 Sanitizers, 100 Rank posters, 5000 face masks, 7-foot hand sinitizer machine, 10 000 Alcohol free hand sanitiser	1800	-
SA Taxi Donor	20* 5*20 litre alcohol free hans sanitizer, 25LTRS of sanitizers = X4400, 500ML of sanitizers = X2000, X6000 gloves, outsurance pointmen (Personnel), Media plan	678	-
Clinix	Training	-	-
TOTAL		**7 333**	**-**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 1G

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 R'000	2019/20 R'000
Made in kind		
FACILITY: ALBERTON TAXI RANK	10	-
FACILITY: DOBSONVILLE JOHANNESBURG ROAD AGENCY	40	-
METRO RAIL ROLLING STOCK DEPOT BRAAMFONTEIN	100	-
FACILITY: PARK STATION	650	-
FACILITY: PARK STATION - PRETORIA TRAIN STATION	90	-
FACILITY: SPRINGS ROADS & STORMWATER DEPOT	35	-
FACILITY: TAXI SANITIZATON	17 565	-
FACILITY: WEST RAND TAXI ASSOCIATION OFFICES	600	-
FACILITY: DEPT OF ROADS AND TRANSPORT, G FLEET	10	-
TOTAL	**19 090**	**-**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 2

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					
Claims against the department	296 067	61 373	(53 633)	-	303 807
TOTAL	**296 067**	**61 373**	**(53 633)**	**-**	**303 807**

*The amount totalling **R53.6 million** disclosed in this annexure as liabilities cancelled, reduced or paid is not a reflection of the actual amount paid by the Department in terms of any court settlement. This balance reflects the impact of the full claim that was initially lodged against the Department in relation to any claim which has either been settled or dismissed by the relevant courts or prescribed in terms of law.*

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 3

CLAIMS RECOVERABLE

	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2019/20 *	
	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
Government Entity	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**		**R'000**
Department								
National Department of Transport	675	-	-	-	675	-	-	-
Gauteng Department of Sport, Arts and Culture	154	-	-	-	154	-	-	-
Limpopo Department of Sports, Arts and Culture	36	-	-	-	36	-	-	-
	865	-	-	-	**865**	-	-	-
Other Government Entities								
g-FleeT Management	1 037	448	-	-	1 037	448	-	-
	1 037	448	-	-	1 037	448	-	-
TOTAL	**1 902**	**448**	**-**	**-**	**1 902**	**448**	**-**	**-**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

ANNEXURE 4

INTER-GOVERNMENT PAYABLES

	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
GOVERNMENT ENTITY	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**		**R'000**
DEPARTMENTS								
Current								
National Department of Justice and Constitution Development	1 569	-	11 057	4 419	12 626	4 419	-	-
Government Printing Works	1	-	-	-	1	-	-	-
Department of Public Service and Administration	416	682	-	-	416	682	-	-
Office of the Premier	2 780	-		-	2 780	-	-	-
TOTAL	**4 765**	**682**	**11 057**	**4 419**	**15 822**	**5 101**	**-**	**-**
OTHER GOVERNMENT ENTITY								
Current								
g-FleeT Management	3 013	1 896	-	-	3 013	1 896	-	-
Road Traffic Management Corporation (RTMC)	27 231	24 716	-	-	27 231	24 716	-	-
Driving Licence Card Account	8 207	7 563	-	-	8 207	7 563	-	-
Road Traffic Infringement Agency	2 674	2 153	-	-	2 674	2 153		
Gautrain Management Agency	3 958	-	-	-	3 958	-	-	-
							-	-
TOTAL INTERGOVERNMENT PAYABLES	**45 083**	**36 328**	**-**	**-**	**45 083**	**36 328**	**-**	**-**

ANNEXURE 5
INVENTORIES

Inventories for the year ended 31 March 2021	**Clothing material and accessories**	**Materials and supplies**	**Other supplies (Face Value forms)**		**TOTAL**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**
Opening balance	195	29 663	13 207	-	43 065
Add: Additions/Purchases – Cash	1 253	2 076	1 762	-	5 091
Add: Additions - Non-cash	8	188	-	-	196
(Less): Issues	(1 218)	(3 998)	(4 221)	-	(9 437)
Received current		23	715		733
Closing balance	**238**	**27 952**	**11 463**	**-**	**39 653**

Annual improvements on Modified Cash Standard (MCS) as amended requires the disclosure of inventory per major category. The cost of inventories is assigned by using the weighted average cost basis.

Inventories for the year ended 31 March 2020	**Clothing material and accessories**	**Materials and supplies**	**Other supplies (Face Value forms)**		**TOTAL**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**
Opening balance	2 087	35 453	36		37 576
Add: Additions/Purchases – Cash	2 015	6 356	18 815	-	27 186
(Less): Issues	(3 907)	(12 146)	(5 644)	-	(21 697)
Closing balance	**195**	**29 663**	**13 207**	**-**	**43 065**

ANNEXURE 6

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	**1 133 761**	**432 326**	**(223 491)**	**1 342 596**
Other fixed structures	1 133 761	432 326	(223 491)	1 342 596
TOTAL	**1 133 761**	**413 002**	**(223 491)**	**1 342 596**

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	**1 679 125**	**(548 469)**	**508 979**	**(505 874)**	**1 133 761**
Other fixed structures	1 679 125	(548 469)	508 979	(505 874)	1 133 761
SOFTWARE	**11 513**	**-**	**5 291**	**(16 804)**	**-**
Software	11 513	-	5 291	(16 804)	-
			-		
TOTAL	**1 690 638**	**(548 469)**	**514 270**	**(522 678)**	**1 133 761**

The prior period error emanates from an extensive exercise undertaken by the Department to re-examine the Department's capital work in progress schedule in line with the current state of implementation of projects.

ANNEXURE 7

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
***Compensation of employees**	-	-	11 146	14 996	**26 112**	**-**
Goods and services	**678**	**444**	**2**	**973**	**2 097**	**-**
CONS HOUS SUP:WASH/CLEAN DETE	678	304	-	99	1 081	-
CONS SUPP:UNI/PROT CLTH&CLOTHES	-	140	-	-	140	-
CONS MAT&SUP:HARDWARE	-	-	2	-	2	-
F&O/EQP<R5000:OFFICE EQUIPMENT	-	-	-	-	14	-
CONS HOUS SUP:DIS PAPER/PLAST	-	-	-	-	189	-
CONS:SP&OS:GOV PRIN	-	-	-	-	671	-
TOTAL COVID 19 RESPONSE EXPENDITURE	**678**	**444**	**11 148**	**15 939**	**28 209**	**-**

**The balance within compensation of employees relates to Cadets from the Minibus Taxi Industry to disinfects Minibus taxis, sanitise commuter's hands and clean common Public Transport areas in Gauteng*

GAUTENG PROVINCE
ROADS AND TRANSPORT
REPUBLIC OF SOUTH AFRICA

g FleeT MANAGEMENT
"Making your fleet our business"

g-FleeT MANAGEMENT

ANNUAL REPORT

2020/2021 FINANCIAL YEAR


gFleeT
MANAGEMENT

2.3. PART A: GENERAL INFORMATION


gFleet
gFleet

2.3.1. TRADING ENTITY GENERAL INFORMATION

NAME OF TRADING ENTITY:	g-FleeT Management
PHYSICAL ADDRESS:	76 Boeing Road East Bedfordview 2008
POSTAL ADDRESS:	Private Bag X1 Bedfordview 2008
TELEPHONE NUMBER/S:	+27 11 372-8600
FAX NUMBER:	+27 086 669 6926
WEBSITE ADDRESS:	www.gfleet.gov.za

2.3.2. LIST OF ABBREVIATIONS / ACRONYMS

AGSA	Auditor General of South Africa
MEC	Member of Executive Council
BBBEE	Broad-Based Black Economic Empowerment
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COO	Chief Operations Officer
PFMA	Public Finance Management Act
TR	Treasury Regulations
MTEF	Medium Term Expenditure Framework
SMME	Small Medium and Micro Enterprises
SCM	Supply Chain Management
BAS	Basic Accounting System
FIS	Fleet Information System
ESS	Employee Self Service
CRM	Client Relations Management
HoD	Head of Department
SLA	Service Level Agreement
WSP	Workplace Skills Plan
OD	Organisational Development
TMR	Transformation, Modernisation and Re-industrialisation
BAC	Bid Adjudication Committee
FML	Full Maintenance Lease
CSD	Central Supplier Database
DPSA	Department of Public Service and Administration

2.3.3. OVERVIEW OF THE CHIEF EXECUTIVE OFFICER



Ms. Noxolo Maninjwa
Chief Executive Officer
g-FleeT Management

OVERVIEW OF FINANCIAL YEAR

Background

g-FleeT Management is the Trading Entity of the Gauteng Department of Roads and Transport (GDRT). The main aim of The Entity is to provide motor transportation services to all government Departments at provincial, municipal, and national levels.

g-FleeT operates from Bedfordview, where the Head Office is based, with offices at 45 Commissioner Street, Johannesburg Central Business District, offices in Koedoespoort, Pretoria, and a kiosk at the OR Tambo International Airport, Kempton Park. The Entity has three (03) functional regional offices namely in Kwa-Zulu Natal, Eastern Cape, Western Cape. These mainly service regional and district offices of Gauteng-based National Departments and Municipalities who are key clients of g-FleeT.

The Entity owned and manages a fleet size of approximately six thousand three hundred and five (6,305) vehicles as at 31 March 2021.

Services offered by The Entity

The Entity is mandated to provide effective, competitive, efficient, and reliable fleet services to government Departments. These services are offered at a fee to all spheres of government. The Entity is required to be financially self-sustainable. The Entity provided the following services to its clients during the year under review:

- Full Maintenance Lease (FML) – The FML is a long-term vehicle lease service offered by g-FleeT which is comprised of a fixed rental cost over a selected period of a minimum of twelve (12) months up to seven (7) years, depending on the type of vehicle and the functional needs of the client.

- Short-term motor rentals - is a short-term vehicle lease service offered by g-FleeT which is comprised of a fixed rental cost over a selected short period (less than 12 months).
- Chauffeur driven, which provides both driver and vehicle for hire over a short-term period.
- Fuel card services - for payment of the fuel and toll gate fees
- Managed maintenance – a call centre to ensure authorization is only given for necessary maintenance that complies with manufactures standards and is in line with manufactures guidelines.
- Telematics, for tracking and monitoring of vehicles and drivers
- Accident management and roadside assistance, which assists our clients with towing and repairs of vehicles
- License and traffic fine administration which is responsible for:
    - Motor vehicle registration and licensing
    - Ensuring that every fine is re-routed to the correct offender.

THE COVID-19 PANDEMIC

The President of the country, Honourable Cyril Ramaphosa on 23 March 2020 announced a countrywide lockdown in response to the COVID-19 pandemic, part of the lockdown is that only certain categories of businesses can remain open. The Minister of Employment and Labour issued a directive in terms of Regulation 10(8) of the Regulations issued by the Minister of Cooperative Governance and Traditional Affairs in terms of Section 27 (2) of the Disaster Management Act, 2002 (Act No. 57 of 2002). The directive sets out the measures that employers are required to take to prevent the transmission of COVID-19 in the workplace.

In response, the department established COVID-19 Steering Committee in March 2020 which g-FleeT Management was part of to monitor the provision and maintenance of the working environment that is safe and without risk to health and safety of employees, clients and visitors. The Steering Committee was tasked to identify hazards and risks that may have adverse effects to health and safety, put control measures to mitigate and eliminate identified risks, provide information and training on SHERQ management issues, provide Personal Protective Equipment (PPE) and develop Standard Operating Procedures (SOP's), conduct COVID-19 screening, testing and medical surveillance, occupational hygiene surveys and audits. In addition, the departmental baseline Hazard Identification Risk Assessment (HIRA) and Enterprise-wide Strategic Risk Assessment were developed and approved by the Head of Department on the 21st April 2020 and 13th May 2020.

g-Fleet Management has placed hand sanitisers at key points in all of our sites to encourage customers, suppliers, visitors and employees to constantly clean their hands. We have also provided ppamphlets to all staff; thermometer scanners for temperature and main gates and to VIP drivers; social distance markings both to g-FleeT premises and its identified vehicles; installation of the separation screens between drivers and passengers to both VIP and buses (mini/Midi); registers (All g-FleeT sites including regions); Cloth Masks (all staff; 2 per person); COVID-19 guide on g-FleeT vehicle developed and approved by HoD; Additional backpacks for disinfecting offices and vehicles. COVID-19 communication through posters on notice boards and e-mails is continuing.

The Entity has been providing services to its clients throughout different levels of the lockdown period. Critical employees were given laptops and data cards to allow them to be able to work from home. In addition, the Entity conducted all meetings online, through Microsoft Teams (with officials above 10). Employees also continued throughout the year be come to work on a rotational basis to minimise the number of employees at work at a time. All of this was aimed at ensuring that the services continue through different levels of the lockdown period.

During the year under review, at total of sixteen (16) COVID-19 positive cases were reported. Most cases were reported between June 2020 to August 2020 (8) and between January 2021 to February 2021 (8). Fortunately, there has been no fatality to date. All employees have recovered and are back at work.

TOP MANAGEMENT'S PERSPECTIVE OF THE ENTITY

During the year 2020/2021, the Entity adopted various strategies *(in response to COVID19 different levels)* that were aimed at minimizing disruptions in the business operations and ensuring continuity both to our clients and as well as within the Entity itself.

In complying with commitments relating to the COVID-19 Disaster Management regulation compliance resulted in the Entity having to reprioritize its planned performance for the 2020/21 financial year. This resulted in the Entity revising it's 5-year Strategic Plan and 2020/21 Annual Performance Plan. The risk adjusted Strategic Plan and Annual Performance Plan was tabled and implemented during the second quarter of the financial year 2020/21 .

While challenges were continuously encountered, the Entity worked very hard to improve the overall performance against targets approved in the Annual Performance Plan for financial year 2020/2021 . Out of thirteen (13) approved targets in the Annual Performance Plan, The Entity achieved a total of ten (10) targets. This translates into an overall percentage achievement of 77% which is an improvement from the previous year (i.e. 2019/2020) of 73%. This is despite of all COVID-19 challenges incurred during the year under review. Below is a summary of the Entity's performance:

INDICATORS TO IMPROVE EFFICIENCY AND CUSTOMER SERVICE

ACHIEVEMENTS

These output indicators are important to measure efficiency and to ensure financial sustainability of the Entity. These indicators measure the quality of service provided by the Entity to its customers, turnaround times and quality of vehicles provided by the Entity (i.e. age). Measuring efficiency, enables g-FleeT Management to make the best possible use of the Entity's resources.

- **Average age of fleet**, ≤4 years – this outcome seeks to ensure that vehicles provided by g-FleeT Management are efficient and reliable. This is necessary to ensure that cost of maintaining vehicles are minimised. The Entity kept an average age of fleet at less than 4 years (i.e. 3,7 years) during the financial year under review. This was due to the fine balance between the intake of new vehicles and the withdrawal of redundant vehicles. This is a positive achievement, which ensures that the Entity delivers on its mission of "Providing reliable fleet to meet client needs".

- **Number of days taken for mechanical repairs, 20 days** – the outcome to improve turnaround time on both accident and mechanical repairs is focused on managing downtime on vehicles under repairs. This is required so that government service delivery programmes that are executed by various g-FleeT clients are not impacted negatively. The target is required to ensure that g-FleeT Management improves efficiency and customer service. As such, the Entity achieved an average of 12 days on against a target of 20 days. This was due to the fact that most of the vehicles are less than four year of age and that fewer vehicles therefore were referred to merchants for mechanical repairs.

INDICATORS TO MAXIMISE RETURN ON INVESTMENT (*ACHIEVED)*

Return on Investment indicators are very important to g-FleeT Management as the Entity does not receive equitable share or any grant allocations. The demand for vehicles by client departments have a direct impact to the revenues of the Entity. Ensuring maximized utilization of vehicles will increase return on investment which will contribute to strengthen the stability, growth and sustainability of the Entity

Average % of rental days utilised for VIP self-drive vehicles, 50% - the Entity achieved 64.76% against a target of 50%. This contributes to the impact of a sustainable, safe, efficient, reliable and

- **Average % of rental days utilised for Pool vehicles, 69% -** the Entity achieved 95.33% against the target of 69%. These vehicles were in high demand by Departments providing essential services during the lockdown. This in return maximise Entity returns and ensure financial sustainability.

Percentage of vehicles auctioned – the Entity had a target of 60% of vehicles auctioned as per approved list, and achieved 95.34% against the set target for the year under review. This is a result of the market that has been created over time by g-FleeT Management. As vehicles age and become too expensive to maintain and repair they must be sold out at auctions timeously to realize maximum value of the asset / vehicle. In addition, the disposal of these assets timeously reduces incurring risks.

A total of **665** vehicles (including Judge's vehicles) were sold and this resulted in the Entity generating a total revenue of **R 66 718 million.** This is a decrease of 55.95**%** in revenue as compared to the performance of the previous financial year.
The lockdown as proclaimed by the President of the Republic during the year under review, justifiably prompted the Entity to adhere to lockdown rules thereby settling for on-line auctions in quarter 2 and 3 which could only sell a limited number of vehicles.

The table below outlines the number of vehicles disposed of and revenue generated during the financial year under review.

Revenue collection – Disposal of Vehicles through Public Auctions

NO.	AUCTION DATE	FLEET SOLD (#)	TOTAL PROCEEDS (R)
1	17th August 2020 – Online Auction	239	R 23 570 771,52
2	30th November 2020 to 03rd December 2020 – Online Auction	417	R 39 702 712,55
5	12th June 2020, 27th June 2020 18th September 2020, 19th October 2020 16th November 2020, 07th December 2020 22nd December 2020, 09th February 2021 10th March 2021	9 (Judges Vehicles)	R 3 444 815,22
	Total	**665**	**R 66 718 299,29**

REVENUE COLLECTION – LEASES

The implementation of the Debtors Management Policy continues to yield the desired results for the Entity in terms of revenue collection from client departments in relation to the lease of vehicles. The Entity surpassed the 15% target in decreasing the average debtor days. This percentage excludes the amounts owed by client departments that submitted written payment plans.

During the financial year under review, an aggregate amount of **R837 million** was collected from client departments. There was a decrease of 5% in comparison to the amount of **R884 million** collected in the 2019/20 financial year. The hard lockdown of level 5 as proclaimed by the President of the Republic contributed to the decrease of 5% as client departments were working with skeleton staff and on rotational basis. The Entity will continue to follow up on all outstanding accounts in line with the approved Debtors Management Policy.

The below table provides a synopsis of the revenue collection growth in the past five (5) years:

	2016/17	2017/18	2018/19	2019/20	2020/21
Source of Revenue	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Revenue Collected from Leases of vehicles	**730,993**	**784,37**	**865,056**	**884,718**	**836,827**
% Growth per year		**7%**	**10%**	**2.27%**	**-5%**

Although the Entity experienced a decrease in the revenue collection in the year under review as compared to previous year, 2019/20, there is an average upward movement of 3.27% in the past 5 years.

ASSET MANAGEMENT INDICATORS

- **% of in-service vehicles tracked, 85% -** The outcome (safeguarding of the state assets by installing comprehensive vehicle tracking units) allow for vehicles to be tracked and traceable. This in turn is used for route optimisation, location of a vehicle at a point in time, monitor mileage, speed etc. All these have a direct impact on the sustainability of the asset (vehicle) and safety and efficiencies. As such the set target for the financial year was 85%. The Entity achieved 90%.

SUSTAINABLE DEVELOPMENT FOR FUTURE GENERATION INDICATORS

- **Percentage of passenger vehicles with CO2 emissions below 120g/KM, 1%** – this target is required to ensure reduction in the carbon footprint (i.e. decreasing Green-House-Gas emissions produced by road transportation as expressed in the Green Transport Strategy for South Africa (2018-2050). The Entity is striving to minimise the impact of its core assets (vehicles) on the environment. As such, a target of 1% was set. The Entity achieved 4,8%. Concerted effort was made to procure vehicles in line with this target.

REVITALISING THE TOWNSHIP ECONOMY INDICATORS

Contribution towards Transformation, Modernization, and Re-industrialization (TMR)

The indicator is required to speed up growth and transforming the economy in the townships to create decent work and sustainable livelihoods in townships

The Broad-Based Black Economic Empowerment Act 53 of 2003 as amended by Act 46 of 2013, promotes the achievement of the constitutional right to equality, increase broad-based and effective anticipation of black people in the economy and promote a higher growth rate, increased employment, and more equitable income distribution; and establish a national policy on broad-based black economic empowerment so as to promote the economic unity of the nation, protect the common market, and promote equal opportunity and equal access to government services.

The Gauteng Provincial Government has committed itself to a viable economic empowerment of all black people (historically disadvantaged individuals), in particular Women, Youth, and People with Disabilities through diverse but integrated socio-economic strategies. It has set its Equity Targets relating to B-BBEE for all provincial departments and entities in the province to be met on monthly basis.

The table below outlines the provincial target currently:

Total awarded to HDI companies	**Total awarded to WOMEN OWNED companies**	**Total awarded to YOUTH OWNED companies**	**Total awarded to PWD OWNED companies**
80	30	10	2

Furthermore, the Gauteng Provincial Government has committed to achieving 30% of provincial spend on goods and services to support the Township Economy Revitalization (TER) programme. The Entity has committed itself to strive to meet the provincial targets as set by the Office of the Premier.
In addition, the Entity has updated the Sourcing Strategy for the 2020/21 financial year to show its commitment to meeting the targets and also to enable the Entity to monitor the targets on regular basis.

The tables below show how the Entity has performed on the Equity targets between the 2019/20 and 2020/21 financial year:

Table 1.2. Provincial Equity Targets

CONTRACTS AWARDED TO ENTERPRISES OWNED BY: HISTORICALLY DISADVANTAGED INDIVIDUALS					
2019/20			2020/21		
TOTAL NUMBER (#)	TOTAL PERCENTAGE (%)	TOTAL VALUE (R)	TOTAL NUMBER (#)	TOTAL PERCENTAGE (%)	TOTAL VALUE (R)
143	83	81,267,899	170	84	82,405,061

Table 1.3.: Analysis of Awards to HDI's

CONTRACTS AWARDED TO ENTERPRISES OWNED BY: WOMEN					
2019/20			2020/21		
TOTAL NUMBER (#)	TOTAL PERCENTAGE (%)	TOTAL VALUE (R)	TOTAL NUMBER (#)	TOTAL PERCENTAGE (%)	TOTAL VALUE (R)
105	48	32,547,877	119	32	23,709,235

Table 1.4.: Analysis of Awards to Women

CONTRACTS AWARDED TO ENTERPRISES OWNED BY: YOUTH					
2019/20			2020/21		
TOTAL NUMBER (#)	TOTAL PERCENTAGE (%)	TOTAL VALUE (R)	TOTAL NUMBER (#)	TOTAL PERCENTAGE (%)	TOTAL VALUE (R)
43	22	2,885,320	67	14	2,503,278

Table 1.5.: Analysis of Awards to Youth

CONTRACTS AWARDED TO ENTERPRISES OWNED BY: PEOPLE WITH DISABILITIES					
2019/20			2020/21		
TOTAL NUMBER (#)	TOTAL PERCENTAGE (%)	TOTAL VALUE (R)	TOTAL NUMBER (#)	TOTAL PERCENTAGE (%)	TOTAL VALUE (R)
4	2	211,592	2	1	25,980

Table 1.6: Analysis of Awards to PWD's

CONTRACTS AWARDED TO ENTERPRISES OWNED BY: MILITARY VETERANS					
2019/20			2020/21		
TOTAL NUMBER (#)	TOTAL PERCENTAGE (%)	TOTAL VALUE (R)	TOTAL NUMBER (#)	TOTAL PERCENTAGE (%)	TOTAL VALUE (R)
-	-	-	4	1	807,564

Table 1.7: Analysis of Awards to MV's

The table below outlines the provincial target currently on Township Economy Revitalization (TER) spent for 2020/21 financial year:

Month	Total Spent on Goods, Services and Construction	Proportion Spent on Township Based Suppliers	% TER Spent
Apr-20	582 848,78	457 294,86	78
May-20	722 895,51	411 115,21	57
Jun-20	46 707,33	46 707,33	100
Jul-20	1 187 337,39	768 181,33	65
Aug-20	1 350 030,37	669 118,13	50
Sep-20	1 721 564,43	232 800,14	14
Oct-20	1 088 227,66	250 046,39	23
Nov-20	1 104 816,84	185 669,39	17
Dec-20	4 514 537,96	3 436 919,39	76
Jan-21	1 506 935,93	368 314,00	24
Feb-21	1 221 474,62	203 370,39	17
Mar-21	1 484 029,73	847 693,00	57
TOTAL	**16 531 406,55**	**7 877 229,56**	**48**

- **30% of procurement spent on goods and services, and construction (excluding all transversal contracts TR3, RT15, RT46 and RT57 etc. All non-procurement spent e.g municipal accounts, AG, claims against State)-** The Entity achieved an average of 48%. This is due to the aggressive implementation of the policy on the procurement spent on township businesses.

CLEAN ADMINISTRATION INDICATORS

- **Unqualified opinion from Auditor General of South Africa -** a well governed institution is built on clean administration. Thus, a clean government administration is one that puts the principles of the Constitution, 1996 into daily use. As such, the Entity achieved an unqualified audit opinion with matters of emphasis from the Auditor General of South Africa for the 2019/20 financial year.

- **Average debtor's collection days (excluding outstanding balances of clients that have payment arrangements with the Entity), 15%** – while this is necessary for clean administration, it has direct implication on financial sustainability of the Entity. A target of 15% average debtors' collection days (excluding outstanding balances of clients that have payment arrangements with the Entity) was set. The Entity did not meet the target as the average collection days were increased by 18.52%.

The Entity aims to be sustainable and ensure profitable growth in revenue by implementing initiatives aimed at attracting and retaining customers. The Entity has surpassed its revenue target of R880,400 million by R62,148 million accumulating R942.548 million.

The Entity committed to improve Occupational Health and Safety aspects through rehabilitating existing infrastructure to ensure compliance with the OHS Act. Several contractors were appointed through the Department of Infrastructure and Development (DID) to finalise and rehabilitate three buildings as well as rehabilitate other buildings currently used by g-FleeT staff.

Finally, an operations strategy for the Entity has been adopted and approved for implementation by the Office of Head of Department. The strategy details several programmes that must be implemented to improve efficiency in the operations of the Entity holistically. A Business case has been submitted to Department of eGovernment to ascertain whether they can assist with the development and implementation of the new fleet system.

The Entity continues to observe all COVID-19 protocols as required by various prescripts. Finally, a total of 33 posts has been advertised – the Entity busy with the process of shortlisting.

INDICATORS TO IMPROVE EFFICIENCY AND CUSTOMER SERVICE (*NOT ACHIEVED)*

- **Number of days taken for accident repairs, 40 days -** the outcome to improve turnaround time on both accident and mechanical repairs is focused on managing downtime on vehicles under repairs. This will in turn improve efficiency and improve customer service. The average turnaround time for accident repairs was 54 days against a target of 40 days therefore target not achieved, this was largely due to vehicles awaiting parts on back order as a result of the COVID-19 lockdown. The Entity will continue to work closely with the RT46 service provider to monitor and manage merchant's turnaround times.

- **Percentage of client satisfaction and loyalty, 78% -** the Entity could only realize 75.04% against a target of 78%. The Entity will pay attention to all areas in need of consideration highlighted by the customer survey report. In addition, an operations strategy has been approved for implementation with a special focus on improving customer care.

- **ICT strategy developed and implemented** – the ICT strategy for the next five years was developed by State Information Technology Agency (SITA) for approval in April 2021. However, one module of the Fleet information system could not be developed due to dependency on the strategy.

CHALLENGES FACED BY THE ENTITY

The financial year under review has not been without its challenges. The following outlines some of the challenges experienced by The Entity.

TRAFFIC FINES

The Entity continues to experience challenges in the Western Cape Province. Due to unpaid fines, caused by the challenge of re-routing of fines to client Departments, The Entity gets blocked on e-Natis and is unable to renew vehicle licenses. In the financial year under review, The Entity attended court proceedings in different municipalities to negotiate, cancel, or re-route the traffic fines. Alternative options are being explored to address the re-routing of fines.

The Administrative Adjudication of Road Traffic Offences bill (AARTO) has been approved and the Road Traffic Infringement Agency (RTIA) is awaiting the proclamation date by the President to implement the ARRTO Act. RTIA will assist in multiple online re-routing of traffic fines where the information is provided by the Transport Officer (proxy).

ORGANISATIONAL AND EMPLOYEE ENVIRONMENT

The Organisational structure reveal the following capacitation and service delivery risks:

- Insufficient capacity of mechanical engineers, ICT technical staff and artisans.
- Not aligned to the customer-centric model for efficient service delivery.
- Dependency on GDRT.
- Outdated technology not supporting proposed service delivery models.

The vacancy rate in the 2020/2021 financial year is at 26% broken down as follows:

Level	Approved Establishment	Filled (including contract workers)	Vacant	Vacancy Rate
SMS (Level 13 to 16)	8	3	5	**63%**
Level 9 to 12	45	33	12	**27%**
Level 6 to 8	90	67	23	**26%**
Level 3 to 5	124	98	26	**21%**
Level 1 to 2	8	3	5	**63%**
TOTAL	**275**	**204**	**71**	**26%**

The Member of Executive Council (MEC) approved the filing of forty-four (44) vacant critical posts for The Entity. A total of 33 post were advertised in November 2020. The Entity is in a process of shortlisting and interviewing candidates with the aim of filing all identified vacant critical posts.

In addition, a service provider was appointed by the Department of Roads and Transport to review and re-align the organizational structure for the Department of Roads and Transport and g-FleeT Management. The office of the Premier has since taken over the process of reviewing and finalizing the organizational structure. In terms of the plan, the process will be finalized by end of 2021.

COVID-19

The President of the country, Honourable Cyril Ramaphosa on 23 March 2020 announced a countrywide lockdown in response to the COVID-19 pandemic, part of the lockdown is that only certain categories of businesses can remain open. Various levels of lockdown were implemented throughout the year by the President of the country. The level of service provided by the Entity was affected, however in all cases the Entity was functional on an employee rotational basis. The level of service provided by the Entity was affected as the demand for new vehicles declined due to the slow-down of our client department's operational activities. The supply of new vehicles was also impacted due to the production shutdowns of both the local and global OEMs which resulted in fewer orders and deliveries of new vehicles then previous years. The roadworthiness of some of our vehicles were also affected as the vehicle license and registration authorities were either closed and/or operating on lean staff. Despite these challenges posed by the pandemic, the entity was able to operate and remain functional on an employee rotational basis. In addition, the Entity continued to provide personal protective equipment to its employees.

FUTURE PLANS

To support the objectives of the 6th administration in Transport and to grow the Gauteng Economy, The Entity identified key strategic priorities as outlined in the 2020-2025 strategic plan. These key strategic priorities are anchored around three focus areas namely, Infrastructure, Operations, and Institutions. The focus areas are underpinned by Technology and ensure compliance with the National Green Transport Strategy. g-FleeT operations management five-year strategy is therefore focusing on these areas.

As such key areas, have been identified namely:

- Customer care management,
- Automation & digitization,
- Training & development,
- Conducive working environment,
- Improving the state of the regional offices,
- Driver behaviour management,

THE "NEW NORMAL" CREATED BY COVID-19 PANDEMIC

The shock to our livelihoods from the economic impact of virus-suppression efforts could be the biggest in nearly a century. This is likely to lead to a decline in economic activities over years to come. The big question The Entity is asking itself is what will it take to navigate this crisis, now that our traditional metrics and assumptions have been distorted?

Our answer is a call to act across two stages, leading from the crisis of today to the next normal that will emerge after the battle against coronavirus has been won: Return, and Reimagination.

Return

Returning businesses to operational health after a severe shutdown and attaining previous levels of workforce productivity is extremely challenging. We will therefore continuously reassess the entire business system and plan for contingent actions to return our business to effective production at pace and at scale.

Reimagination

The crisis reveal not just vulnerabilities but opportunities to improve our business performance. The online world of contactless commerce could be bolstered in ways that reshape customer behaviour forever therefore will be centre stage of our operations.

As such, we will focus on pushing adoption of technology at an accelerated speed by rapid learning about what it takes to drive productivity when labour is unavailable. The result: a stronger sense of what makes business more resilient to shocks, more productive, and better able to deliver to customers.

The aftermath of the pandemic therefore provides an opportunity to learn from a plethora of social innovations and experiments, ranging from working from home to complete automated business operations.

As such, response to COVID-19 over the next five years will focus on:

- Introducing interventions to help prevent the transmission of COVID-19 by developing and monitoring of protocols for all g-FleeT vehicles
- Focused approached to Occupational Health & Safety compliance.
- Accelerated Information Technology Infrastructure Programme



OVERVIEW OF THE FINANCIAL RESULTS OF THE TRADING ENTITY

STATEMENT OF FINANCIAL PERFORMANCE

RECEIPTS

The results of the actual collections for 2020/21 and the comparative year are depicted in **Table 2.3.3.1** below:

Table 2.3.3.1: Revenue collected

Entity receipts	2020/21			2019/20		
	Budget	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
Revenue from Exchange Transactions – Leasing of vehicles	780 000	836 827	(56 827)	850 000	884 718	(34 718)
Revenue from Non-Exchange Transactions – Interest from bank, accident claims, and tender income.	44 000	31 717	12 283	72 000	62 679	9 321
Transport Fees	1 400	1 890	(490)	1 700	2 012	(312)
Auctions Fees	55 000	66 718	(11 718)	70 000	151 438	(81 438)
Total	**880 400**	**937 152**	**(56 752)**	**993 700**	**1 100 847**	**(107 147)**

As per the statement of financial performance, total revenue from services rendered by the Entity decreased to R 942.548 million (2019/20: R 1.075 billion). Revenue from the leasing of vehicles decreased by 3% to R 824.683 million (2019/20: R 851.342 million). This can be attributed to the lockdown inactivity during 2020/21 financial year.

The interest earned from the positive bank account decreased by 52% to R 30.244million (2019/20: R 62.389 million). The decrease is due to decrease in prime rates as pronounced by the South African Reserve Bank in a bid to manage economic fall caused by the pandemic.

The revenue from the auctioning of vehicles decreased by 55.95% to R 66.718 million (2019/20: R 151.438 million). Due to lockdown protocols, the Entity took a decision to dispose of a limited number of its vehicles through on-line auction during quarter 2 and 3 of 2020/21 financial year.

Table 2.3.3.2: Expenditure versus budget

Programme Name	2020/21			2019/20		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the CEO	3 310	3 047	263	3 657	3 623	34
Office of the COO	1 978	1 624	355	427	694	(223)
Office of the CFO	8 095	6 553	1 542	9 086	7 434	1 652
Financial Services	17 436	14 982	2 454	16 894	15 180	1 714
Corporate Services	53 316	43 834	9 482	45 520	35 483	10 036
Marketing and Communications	12 769	11 397	1 371	11 886	10 862	1 024
Fleet Maintenance Services	136 404	138 787	(2 383)	166 012	120 563	45 449
Transport Support Services	194 104	159 674	34 430	251 233	231 909	19 325
Permanent Fleet	207 367	226 013	(18 646)	263 565	265 983	(2 418)
VIP & Pool Services	18 748	16 878	1 870	21 421	18 419	3 003
Total	**653 527**	**622 789**	**30 738**	**789 746**	**710 149**	**79 597**

The total expenditure decreased by 15% to R 604.430 million (2019/20: R710.149 million). The decrease in expenditure is largely due to a lockdown inactivity during 2020/21 financial years.

The acquisition of vehicles decreased by 11.68% to R226.065 million (2019/20: R258.233 million). The COVID-19 lockdown had a negative impact in the processes of acquisition of vehicles.

The employee costs decreased by 0.14% to R 89.988 million (2019/20: R 90.113 million).

The cost of sales decreased by 64% to R74 709 million (2019/20: R204.694 million). Less number of vehicles were sold through on-line as the Entity had to adhere to lockdown protocols.

The surplus for the financial year increased by 18% to R 338.118 million (2019/20: R 285.608 million). This can be largely attributed to a 15% decrease in general expense because of lockdown inactivity.

Intervention on budget spending

As at 31 March 2021, as exhibited in the Table 2.3.4.2 above, the Entity underspent by 4.7%.
The Entity will continue to monitor its spending pattern or procurement plan monthly and provide reasons for underspending or overspending.

Reasons for underspending and overspending will be considered where necessary during process of budget adjustment.

STATEMENT OF FINANCIAL POSITION

The Entity has a strong asset base which is reflective of the operations. Significant asset classes include finance lease receivables, property, plant and equipment, and cash funds. The liabilities are limited to finance lease obligation and payables which arise from the Entity's operations.

The carrying value of non-current assets increased by 4% to R 1.391 billion (2019/20: R 1.341 billion).

The receivables from exchange transactions increased by 0.45% to R 197.981 million (2019/20: R 197.097 million). The debtor's days decreased by 0.62% (the ratio indicating debt levels to revenue generated from such debtors) to 71.35 days on 31 March 2021 (31 March 2020: 71.80 days).

The Entity could convert its debt receivable into cash, and this is reflected in the increase of cash funds to R 1.778 billion (2019/20: R 1.498 billion).

The Accumulated Surplus increased from R 2 .957 billion on 31 March 2020 to R 3.296 billion on 31 March 2021. The Entity 's net worth continues to grow on a yearly basis.

CASH FLOW STATEMENT

The cash generated from operating activities decreased to R 935.679 million (2019/20: R 1.100 billion).
The lockdown inactivity played a major role in the decrease in cash generated from operating activities.

Net cash flows from investing activities increased to 262.981 million (2019/20: R262.835). This was at levels of R 146 000 higher than the previous financial year

TARIFFS

The vehicles are purchased through the RT57 transversal contract administered by National Treasury and after delivery are captured onto the Fleet Information System (FIS). The Entity operates primarily under two (2) tariff regimes being the “Old” model tariffs and Full Maintenance Lease (FML) tariffs. “Old” model tariffs have existed since 2002 and the FML tariffs were introduced in 2007.

The FML tariffs are more closely aligned to the costs that need to be recovered in respect of each vehicle leased to a client department. As such, all new vehicle leasing arrangements entered into are under FML arrangements and the “old” model tariffs are being phased out. Most vehicles are currently leased out under the FML tariff regime.

The structure of tariffs is such that over the lease term, the Entity will recover the cost of the vehicle to ensure that the vehicle can be replaced at the end of its useful life. Tariffs also consider the direct and indirect costs required to maintain the vehicle over the lease term. The direct costs include the costs of a maintenance plan for routine preventative maintenance, routine tyre replacements, tracking, and licensing. The indirect costs are encompassed in an administration fee, which covers the cost of the Entity's staff and infrastructure, and non-routine repairs. Future expected inflation is added to these costs upfront and charged evenly each month.

The cost of fuel, oil, and toll gates are incurred by client departments using fuel cards. These costs are charged to client departments monthly based on the actual costs incurred on the fuel cards allocated to them. No exceptions, discounts, or free services are offered to client departments.

The tariffs have been reviewed in the current financial period, the tariff structure was submitted to Provincial Treasury for approval.

FREE SERVICES

No free services were rendered that would have yielded significant revenue had a tariff been charged.

SALES OF CAPITAL ASSETS

The following categories of assets were disposed of through a public auction in line with the approved Assets Management Policy:

- Vehicles that reached the end of their respective life cycles,
- Vehicles damaged in accidents,
- Vehicles that have high mileage, and
- Vehicles that have high repair costs.

UNAUTHORISED, FRUITLESS AND WASTEFUL EXPENDITURE

No new irregular expenditure was incurred in the financial year under review, other than irregular contracts reported in the prior years. Irregular expenditure relates to the expiry of contract relating to the leasing of property for the Regional Office in East London.

During the year under review, the Entity incurred Fruitless and Wasteful expenditure emanating from interest charged on late payments to one service provider. This invoice is usually approved by more than one user which made it administratively difficult during Alert level 5.

SUPPLY CHAIN MANAGEMENT

All orders and acquisitions that are below the R500 000 thresholds are administered by the Entity while tenders are awarded by the Departmental Bid Adjudication Committee (BAC) of which the Entity has a representative. All other Bid Committee functions such as Bid Specification and Bid Evaluation are carried and executed by the Entity.

In the financial year under review, there were no tenders awarded by the BAC relating to the Entity.

GIFTS AND DONATIONS RECEIVED IN-KIND FROM NON-RELATED PARTIES

The Entity received sanitization services provided by Scientology Ministers at Bedfordview g-FleeT Headquarters during the period under review with the full realization there would be no material or monetary exchange. The total estimated value of the donation is R10,000. (i.e. estimated by the Church of Scientology).

EXEMPTIONS AND DEVIATIONS RECEIVED FROM NATIONAL TREASURY

The Trading Entity received four deviations in terms of the Public Finance Management Act or Treasury Regulations for the following services:

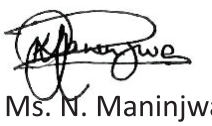
1. Security.
2. ICT strategy document.
3. Repairs and maintenance of Hoists and Compressors
4. Acquisition of Judge ‘s vehicle.

EVENTS AFTER THE REPORTING DATE

There are no subsequent events to be reported upon at this stage

ACKNOWLEDGEMENTS /APPRECIATION

I wish to thank the MEC, HOD and all stakeholders who have vested a great deal in assisting g-FleeT Management during the challenging year of the COVID-19 pandemic. My appreciation also extends to the g-FleeT Management and staff for their committed dedication and hard work in striving to achieve the mandate of The Entity in working during this difficult time. Furthermore, I wish to thank the various client departments for continuing to work with the Entity during this challenging period.



Ms. N. Maninjwa
Chief Executive Officer : g-Fleet Management
Date: 15 August 2021

2.3.4 STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF THE ACCURACY OF THE ANNUAL REPORT

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

All information and amounts disclosed throughout the Annual Report are consistent.

The Annual Report is complete, accurate, and is free from any omissions.

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

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

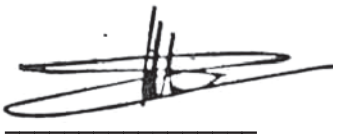
The Accounting Officer is responsible for the preparation of the Annual Financial Statements and the judgements made in this information.

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

The external auditors are engaged to express an independent opinion on the Annual Financial Statements.

In my opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information, and the financial affairs of The Entity for the financial year ended 31 March 2021.

Yours faithfully,



Mr M Mampuru

Accounting Officer

Department of Roads and Transport

Date: 15 August 2021

2.3.5 STRATEGIC OVERVIEW

VISION

We keep Government Service Delivery on the Move.

MISSION

We will achieve our vision by:

- Providing effective, competitive, and efficient fleet services to government.
- Focusing on providing reliable fleet to meet client needs.
- Building and maintaining sustainable stakeholder relations.

VALUES

Furthermore, core values applicable to the Provincial Government were revised and reflect as follows:

> "…Competence, Accountability, Integrity, and Responsiveness…"

These values are all underpinned by the concept of teamwork and will apply to The Entity as well as to all officials of g-FleeT. A detailed description of what each core value encapsulates is outlined below.

CORE VALUES	DETAILED DESCRIPTION
COMPETENCE	***We commit to being competent and excellent at all times.*** ***We undertake to deliver services with passion, excitement, and enthusiasm.*** Our people can do the tasks they are appointed to do, live our values, and always strive for excellence. We all deliver on our outcomes and targets with quality, on budget, and in time. We demonstrate an understanding of and work together to achieve our role in our Constitutional and electoral mandate.
ACCOUNTABILITY	***We pledge to be answerable to our stakeholders in the execution of our mandate and service delivery activities.*** ***We commit to deliver a service that meets our stakeholders' expectations.*** We have a clear understanding of our objectives, roles, delegations, and responsibilities. We are committed to delivering agreed outputs on time. We hold each other accountable and know we can trust to do and we say we will. As individuals, we take responsibility and ownership for our outcomes and accept the consequences of failure to do so.

CORE VALUES	DETAILED DESCRIPTION
INTEGRITY	***We commit to being ethical, professional, principled, fair, and just in our conduct.*** ***We pledge to uphold sound principles of institutional management and efficient systems and processes in service delivery.*** We seek truth and a greater understanding of it in each situation and we do the right things. We are honest, show respect, and live out our positive values. We are reliable and trustworthy, doing what we say we will There are no grey areas with integrity applying at all levels in all instances ensuring we are corrupt free.
RESPONSIVENESS	***We shall be approachable, receptive, and quick to respond to stakeholder needs.*** We take our fellow public servants seriously, listening to and hearing their voices. (listening a lot and talking less) We respond with action timeously, always asking is this the right response, where we could be potentially wrong, and how we can do it better? We engage collaboratively with each other, our stakeholders, and the media providing full information. Our focus is the past, present, and future public service citizens, and responding as their government for the best results for the people we serve. They tell us how well we respond.

2.3.6 LEGISLATIVE AND OTHER MANDATES

The Entity's operations are largely regulated by the National Transport Circular No. 4 of 2000, which governs all matters relating to the utilisation of government-owned transport.

Regulation 19 issued in terms of the Public Finance Management Act of 1999 governs the operations of the organisation in terms of its policy and reporting framework, establishment, capital requirements, disposal of assets, the surrender of surplus funds, and financial reporting. In addition, the following legislative mandates are applicable:

- Cross-Border Road Transport Act, Act 4 of 1998.
- Road Traffic Act, Act 29 of 1989.
- Public Finance Management Act, Act 1 of 1999.
- National Environmental Management Act,
- Road Traffic Management Corporation Act, Act 20 of 1999.
- National Road Traffic Act, Act 93 of 1996.

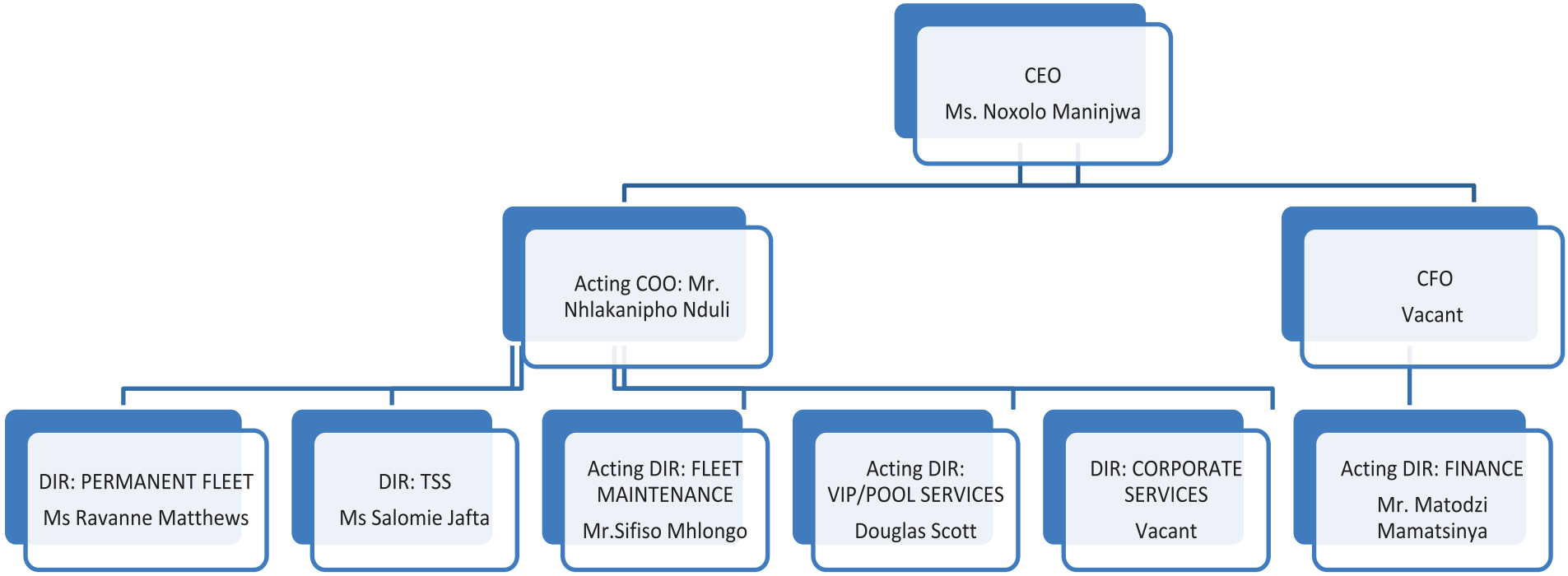
- National Road Traffic Safety Act, Act 12 of 1972.
- Gauteng Transport Framework Revision Act, Act 8 of 2002.
- Gauteng Public Passenger Road Transport Act, Act 7 of 2001.
- Gauteng Transport Infrastructure Act, Act 8 of 2001.
- Gauteng Planning and Development Act, Act 3 of 2003.
- Provincial Road Traffic Act, Act 10 of 1997.
- Gauteng Toll-Roads Bill 2005.
  Administrative Adjudication of Road Traffic Offences Act, Act 46 of 1998.
- Gauteng Transport Framework Revision Amendment Act, 2007.

Policy & Other Mandates

The following policy mandates are applicable:

- White Paper on National Transport Policy.
- National Land Transport Strategic Framework.
- Provincial Policy and Legislative Mandates
- Gauteng White Paper on Transport Policy.
- Gauteng Transport Legislative Framework.
- Gauteng Legislation on Development Planning.

2.3.8 SMS Organisational Structure



2.4. PART B: PERFORMANCE INFORMATION



2.4.1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

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

Refer to page 454-460 of the Report of the Auditor General, published as Part E: Financial Information.

2.4.2. OVERVIEW OF THE ENTITY'S PERFORMANCE

Service Delivery Environment for 2020/21

The Entity's service delivery environment was negatively affected by COVID-19. The Entity had to develop and implement processes and systems to ensure compliance to COVID-19 regulations and ensure that it contributes to flattening the curve of infections and ensure the safety of clients and officials.
The whole automotive industry was negatively affected by the lockdown.

RT 46 CONTRACT

The RT46 contract is a transversal vehicle service and maintenance contract administered by the National Treasury of South Africa. The contract expired on 31 March 2020. The National Treasury has extended the contract by 12 months (i.e. April 2020 to March 2021). The RT46 service provider had to activate appropriate measures to ensure that as we moved to various levels of lockdown, g-FleeT Management clients were not compromised whilst ensuring the safety of its employees and g-FleeT officials.

RT 46 allows card payments for fuel, accident repairs and maintenance as well as tolls. It further aids in the assessment of the reasonableness of repairs and maintenance (i.e. Review of quotations received from service providers) as well as monitoring of vehicles.

The major challenge has been turnaround times on accident repairs. Much time and effort are spent on resolving operational matters with service providers. These include scheduling services, quality of repairs, and evaluation of quotations. Intervention during the year included continuous engagement with the RT46 service provider to resolve the issues throughout the year.

RT57 CONTRACT

The RT57 (purchasing of vehicles) is a transversal contract managed by the National Treasury (through the Office of the Chief Procurement Officer) and the National Department of Transport. It provides a streamlined process to purchase vehicles at reduced prices, although the choice of vehicles and engine capacity resides primarily with the user Department. Even though the RT57 contract was only finalized in September 2019. The level of service provided by the Entity was affected as the demand for new vehicles declined due to the slow-down of our client department's operational activities. The supply of new vehicles was also impacted due to the production shutdowns of both the local and global OEMs which resulted in fewer orders and deliveries of new vehicles then previous years. Despite the COVID-19 challenges, the Entity managed to purchase a total number of 695 vehicles on the transversal contract during the period under review.

Service Delivery Improvement Plan

The Department has completed a service delivery improvement plan. The tables below highlight the service delivery plan and the achievements to date.

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
▪ Full Maintenance Lease (FML) – The FML is a long-term vehicle lease service offered by g-FleeT which is comprised of a fixed rental cost over a selected period of a minimum of twelve (12)	g-Fleet customers (i.e. government Department and municipalities)	The Entity has SLA's with various client departments.	The desired standard of service is in terms of the SLA between g-FleeT and the customer.	The actual achievements on various targets are explicitly covered in the Annual Performance

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
months up to seven (7) years, depending on the type of vehicle and the functional needs of the client. ▪ Short-term motor rentals - is a short-term vehicle lease service offered by g-FleeT which is comprised of a fixed rental cost over a selected short period (less than 12 months). ▪ Chauffeur driven, which provides both driver and vehicle for hire over a short-term period. ▪ Fuel card services - for payment of the fuel and toll gate fees ▪ Managed maintenance – a call centre to ensure authorization is only given for necessary maintenance that complies with manufactures standards and is in line with manufactures guidelines. ▪ Telematics, for tracking and monitoring of vehicles and drivers ▪ Accident management and roadside assistance, which assists our clients with towing and repairs of vehicles ▪ License and traffic fine administration which is responsible for: ○ Motor vehicle registration and licensing ○ Ensuring that every fine is re-routed to the correct offender.				Plans information.

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

Current/actual arrangements	Desired arrangements	Actual achievements
Not Applicable - The Entity does not deal directly with communities	Not Applicable - The Entity does not deal directly with communities	Not Applicable - The Entity does not deal directly with communities

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Existing contracts with customers	Executive automated dashboard	Customer survey indicating 75 percent satisfaction levels.

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Manual complaints mechanism	Automated complaints system on the website with tracking sheet	Customer survey indicating 75 percent satisfaction levels.

2.4.2.1 Organisational environment

In response to the call from the President to flatten the curve of COVID-19 infections, the Entity had to adopt new strategies to ensure the safety and health of valuable employees, clients and various stakeholders.

COVID-19 forced the Entity to depend on technology and move from working from the office to working remotely and having to rotate staff to ensure that clients continue to access our services.

On 31 December 2020, the Acting Chief Financial Officer resigned from the Department. The position which is not in the current g-FleeT Management structure was filled in by a Director, Financial Accounting from the Department of Roads and Transport. The acting CFO was seconded from the Department after expiry of the contract with external service provider who was providing the Chief Financial Officers functions to the Entity.

The vacancy rate in the 2020/2021 financial year is at 26% broken down as follows:

Level	Approved Establishment	Filled (including contract workers)	Vacant	Vacancy Rate
SMS (Level 13 to 16)	8	3	5	**63%**
Level 9 to 12	45	33	12	**27%**
Level 6 to 8	90	67	23	**26%**
Level 3 to 5	124	98	26	**21%**
Level 1 to 2	8	3	5	**63%**
TOTAL	**275**	**204**	**71**	**26%**

The Member of Executive Council (MEC) approved the filing of forty-four (44) vacant critical posts for The Entity. A total of 33 post were advertised in November 2020. The Entity is in a process of shortlisting and interviewing candidates with the aim of filing all identified vacant critical posts. The balance of the 11 posts approved for advertisement are subject of a discussion with organized labour (posts below level 5). The position of the organized labour is that all employees below level 5 are undervalued.

In addition, a service provider was appointed by the Department of Roads and Transport to review and re-align the organizational structure for the Department of Roads and Transport and g-FleeT Management. The office of the Premier has since taken over the process of reviewing and finalizing the organizational structure to ensure that the current structure is aligned to the Entity's five-year Strategic Plan and Operations Strategy Plan.

The Entity identified vulnerable employees with cormodities in line with the COVID-19 regulations. The Entity distributed application forms to work from home due to vulnerabilities. A total number of eight (08) applications were received and are being processed with the help of DRT and the Office of the Premier.

2.4.2.1 Key policy developments and legislative changes

The President of the country, Honourable Cyril Ramaphosa on 23 March 2020 announced a countrywide lockdown in response to the COVID-19 pandemic, part of the lockdown is that only certain categories of businesses can remain open. Various levels of lockdown were implemented throughout the year by the President of the country. The level of service provided by the Entity was affected, however in all cases the Entity was functional on an employee rotational basis. In addition, the Entity continued to provide personal protective equipment to its employees and developed guidelines to client departments to ensure safety of various government officials utilizing g-FleeT Management vehicles during the various levels of COVID-19.

The Competition Commission

On 10 December 2020, the Competition Commission ("Commission ") issued the final guidelines for competition in the South African Automotive Aftermarket ("Automotive Guidelines ").

The Guidelines were prepared in terms of section 77 of the Competition Act (89 of 1998, as amended), to provide practical guidance to industry players towards the adoption of pro-competitive measures in the Automotive Aftermarket, and to promote greater participation of small businesses as well as historically disadvantaged individuals (HDIs) in the market. The Guidelines also place responsibility on all industry players to disclose certain information to consumers, to enable them to make informed choices; the guideline also addresses consumer safety. A dispute resolution process and a self-monitoring mechanism by industry stakeholders is also articulated.

The Automotive Guidelines are intended to promote inclusion and to encourage competition through greater participation of small businesses as well as historically disadvantaged groups.

Measures proposed in the Automotive Guidelines

Some of the novel measures proposed in the Automotive Guidelines, which have cost, staffing and legal implications for participants in the automotive industry, are the following:

- the unbundling of the new motor vehicle price from the price of the service and/or maintenance plan of that motor vehicle. In other words, dealers must ensure that at the point of sale of a motor vehicle, that consumers have full disclosure of the
  a) purchase price of the motor vehicle; and

  b) the purchase prices of service and maintenance plans, and other value-added products. Consumers will then have the choice whether to purchase the motor vehicle and service/maintenance plan separately or at the same time;

- Original Equipment Manufacturers (OEMs) and independent third party providers must transfer a service and/or maintenance plan to a replacement motor vehicle in circumstances where the motor vehicle is written off by the insurer;

- In circumstances where there is no replacement motor vehicle after a write-off or its not feasible to transfer a service and/or maintenance plan to a replacement motor vehicle, the consumer must be afforded the right to cancel the service and/or maintenance plan contract and/or receive a refund for the balance of the product;

- Approved dealers that sell new motor vehicles and products of competing OEMs must ensure that they do not engage in price co-ordination. Specifically, the prices of competing motor vehicles and products must be determined by different individuals within the dealership;

- Approved dealers that sell new motor vehicles and products of competing OEMs must ensure that no commercially sensitive information (including information stored in the cloud) is provided or shared with competing OEMs.

The Automotive Guidelines are effective from 1 July 2021 and affected parties in the automotive industry, thus, have until 1 July 2021 to ensure their businesses and business arrangements are compliant. Although the Automotive Guidelines are non-binding on the competition authorities, it indicates the Commission's approach on any matter falling within its jurisdiction in terms of the Competition Act, No. 89 of 1998 ("Competition Act"). Importantly, the Automotive Guidelines do not preclude the Commission from pursuing any firm in the automotive industry for anti-competitive conduct through the Commission's enforcement powers.

2.4.3 PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

Impact statement	• A sustainable, safe, efficient, reliable and affordable fleet management solution

2.4.3 INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

- **Programme 1: OPERATIONAL MANAGEMENT SERVICES**

  This programme is responsible for providing fleet management services that are effective, efficient, and client-focused.

  The following is the sub-programmes of the structure:

  • Permanent Fleet
  • Finance
  • Transport Support Services
  • Fleet Maintenance
  • Communications

Outcomes, outputs, output indicators, targets and actual achievements

- **Percentage of passenger vehicles with CO2 emissions below 120g/KM, 1%** – this target is required to ensure reduction in the carbon footprint (i.e. decreasing Green-House-Gas emissions produced by road transportation as expressed in the Green Transport Strategy for South Africa (2018-2050). The eEntity is striving to minimise the impact of its core assets (vehicles) on the environment. As such, a target of 1% was set. The Entity achieved 4,8%. Concerted effort was made to procure vehicles in line with this target.

- **Average age of fleet, ≤4 years** – this outcome seeks to ensure that vehicles provided by g-FleeT Management are efficient and reliable. This is necessary to ensure that cost of maintaining vehicles are minimised. The Entity kept an average age of fleet at less than 4 years (i.e. 3,7 years) during the financial year under review. This was due to the fine balance between the intake of new vehicles and the withdrawal of redundant vehicles. This is a positive achievement, which ensures that the Entity delivers on its mission of "Providing reliable fleet to meet client needs".

- **% of vehicles auctioned -** the Entity had a target of 60% of all approved to be sold, and achieved 95.34% against the set target for the year under review. This is a result of the market that has been created over time by g-FleeT Management. As vehicles age and become too expensive to maintain and repair they must be sold out at auctions timeously to realize maximum value of the asset / vehicle. In addition, the disposal of these assets timeously reduces incurring risks.

- **% of in-service vehicles tracked, 85% -** The outcome (safeguarding of the state assets by installing comprehensive vehicle tracking units) allow for vehicles to be tracked and traceable. This in turn is used for route optimisation, location of a vehicle at a particular point in time, monitor mileage, speed etc. All these have a direct impact on the sustainability of the asset (vehicle) and safety and efficiencies. As such g-FleeT Management the target for the financial year was 85%. The Entity achieved 90%.

- **Number of days taken for mechanical repairs, 20 days** – the outcome to improve turnaround time on both accident and mechanical repairs is focused on managing downtime on vehicles under repairs. This is required so that government service delivery programmes that are executed by various g-FleeT clients are not impacted negatively. The target is required to ensure that g-FleeT Management improves efficiency and customer service. As such, the Entity achieved an average of 12 days on against a target of 20 days. This was due to the fact that most of our vehicles are less than four year of age and that fewer vehicles therefore were referred for mechanical repairs.

- **Number of days taken for accident repairs, 40 days -** the outcome to improve turnaround time on both accident and mechanical repairs is focused on managing downtime on vehicles under repairs. This will in turn improve efficiency and improve customer service. The average turnaround time for accident repairs was 54 days against a target of 40 days therefore target not achieved, this was largely due to vehicles awaiting parts on back order as a result of the COVID-19 lockdown. The Entity will continue to work closely with the RT46 service provider to monitor and manage merchant's turnaround times.

- **Percentage of client satisfaction and loyalty, 78% -** the Entity could only realize 75.04% against a target of 78%. The Entity will pay particular attention to all areas in need of attention highlighted by the customer survey report. In addition, an operations strategy has been approved for implementation with a special focus on improving customer care.

Table 2.4.4.1:

(The table below reflects ONLY the planned target and actual performance from the originally tabled Annual Performance Plan (APP) 2020/21 up until the date of re-tabling of the Revised Risk Adjusted APP 2020/21 in Quarter 2. Although the deviation from the planned target is calculated based on the Annual target in accordance with the Annual Report Guide for National and Provincial Departments issued by National Treasury on 31 March 2021, it should be noted that the actual achievements for the indicators in the below table do not reflect performance for the entire 2020/21 financial year, but only for quarter 1 (April – June 2020) of the financial year 2020/21.)

Programme / Sub-programme: Operational Management Services									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Reduced Carbon footprint from The Entity	Passenger vehicles below 120g/KM (environmentally friendly)	% of passenger vehicles with CO2 emissions below 120g/KM	n/a	n/a	1%				n/a
Improve efficiency & customer service	Average age of fleet	Average age of fleet	3.6 Years	3,5 Years	≤ 4 Years	3.6 years	0.4	n/a	
Maximised return on investment	Percentage of vehicles auctioned	Percentage of vehicles auctioned as per	91%	91%	90%	n/a	0	No auction held during the first quarter due	Due to COVID - 19, The Entity had

Programme / Sub-programme: Operational Management Services									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
		approved list by 2024						to COVID-19 lockdown	to revise the annual target as the auction is done through online. Only less number vehicles can be sold on online
Safeguard state assets	Vehicles tracked	% of in-service vehicles tracked	93.1% (6655)	87% (5158)	93%	89.5% (5162)	+14.5% (839)	Total current fleet = 5954 less exempt the vehicles of 190 = 5764 100% In-Service Vehicles = 5764 Exempt Vehicles Prosecuting Authority 79 Justice 99 Premier 4 Mineral 8 Total = 192	Due to covid19 and the country going under extreme lockdown (total shutdown) and the uncertainty of until when and what the impact of this will have on service delivery the annual target was revised.
Improve efficiency & customer services	Turnaround times on mechanical repairs	Number of days taken for mechanical repairs	37.5 days	11 days	19 days	13.5 days	+5.5 days	Reduced number of vehicles that were with merchants due to lockdown.	For the realignment of annual target to Covid-19 protocols, and Covid 19 risks related challenges.
Improve efficiency & customer service	Turnaround time on accident repairs	Number of days taken for accident repairs	37.5 days	44.25 days	48 days	39.27 days	8.73 days	Reduced number of vehicles that were with merchants due to lockdown.	For the realignment of annual target to Covid-19 protocols, and Covid 19 risks related challenges.
Improve client	Percentage of Client	% of client satisfaction	74%	-	78%				n/a

Programme / Sub-programme: Operational Management Services									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
experience Improve customer satisfaction and loyalty	Satisfaction								

*Actual achievement must be reported in relation to the performance information reflected in the originally tabled Annual Performance Plan until date of re-tabling (In the instance where a Department has re-tabled an Annual Performance Plan in the financial year under review).

Table 2.4.4.2:

The table below provides for the planned and actual achievements against the re-tabled Revised Risk Adjusted APP 2020/21.

Programme / Sub-programme: Operational Management Services								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Reduced Carbon footprint from The Entity	Passenger vehicles below 120g/KM (environmentally friendly)	% of passenger vehicles with CO2 emissions below 120g/KM	n/a	n/a	1%	4.8%	+3.8%	Concerted effort was made to procure vehicles with CO2 emissions below 120g/km.
Improve efficiency & customer service	Average age of fleet	Average age of fleet	3.6 Years	3,5 Years	≤ 4 Years	3.7 years	+0.3	New vehicles procured improves the overall fleet age.
Maximised return on investment	Percentage of vehicles auctioned	% of vehicles auctioned as per approved list by 2024	91%	91%	60%	95.34%	+35.34%	The reason for the overachievement is largely due to the positive response to advertisement of the auction to the public.
Safeguard state assets	Vehicles tracked	% of in-service vehicles tracked	93.1% (6655)	87% (5158)	85% of in-service vehicles tracked. (5362)	90% (5657)	+5% (295)	Vehicles are being tracked on both the old and new contract.
Improve efficiency & customer	Turnaround times on mechanical	Number of days taken for mechanical	37.5 days	11 days	20 days	12days	+8 days	There were fewer vehicles

Programme / Sub programme: Operational Management Services								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
services	repairs	repairs						active due to Covid 19 pandemic, resulting in minimum number of vehicles requiring repairs.
Improve efficiency & customer service	Turnaround time on accident repairs	Number of days taken for accident repairs	37.5 days	44.25 days	40 days	54 days	-14 days	There were few merchants (due to Covid 19 pandemic) to attend to vehicles that were involved in accident resulting to extended TAT.
Improve client experience Improve customer satisfaction and loyalty	Percentage of Client Satisfaction	% of client satisfaction	74%	-	78%	75.04%	-2.96%	Some of our clients are of the view that the level of service as well as the product mix need to be improved to cater their changing environment

**Actual achievement must be reported in relation to the performance information reflected in the originally tabled Annual Performance Plan (In the instance where a Department did not re-table the Annual Performance Plan in the financial year under review) OR in relation to the performance information reflected in the re-tabled Annual Performance Plan.

Strategy to overcome areas of under performance

% of client satisfaction: For the 2022/23 financial year, client satisfaction survey an accurate client database must be provided to reach sufficient clients as possible. Business unit managers to each develop strategies to mitigate those areas of dissatisfaction in their programmes.

Number of days taken for accident repairs: To review and align fleet maintenance process (accident repairs) with new RT46-2020 service provider.

Reporting on the Institutional Response to the COVID-19 Pandemic

The President of the country, Honourable Cyril Ramaphosa on 23 March 2020 announced a countrywide lockdown in response to the COVID-19 pandemic, part of the lockdown is that only certain categories of businesses can remain open. The Minister of Employment and Labour issued a directive in terms of Regulation 10(8) of the Regulations issued by the Minister of Cooperative Governance and Traditional Affairs in terms of Section 27 (2) of the Disaster Management Act, 2002 (Act No. 57 of 2002). The directive sets out the measures that employers are required to take to prevent the transmission of COVID-19 in the workplace.

In response, the department established COVID-19 Steering Committee in March 2020 which g-FleeT Management was part of to monitor the provision and maintenance of the working environment that is safe and without risk to health and safety of employees, clients and visitors. The Steering Committee was tasked to identify hazards and risks that may have adverse effects to health and safety, put control measures to mitigate and eliminate identified risks, provide information and training on SHERQ management issues, provide Personal Protective Equipment (PPE) and develop Standard Operating Procedures (SOP's), conduct COVID-19 screening, testing and medical surveillance, occupational hygiene surveys and audits. In addition, the departmental baseline Hazard Identification Risk Assessment (HIRA) and Enterprise-wide Strategic Risk Assessment were developed and approved by the Head of Department on the 21st April 2020 and 13th May 2020.

g-Fleet Management has placed hand sanitisers at key points in all of our sites to encourage customers, suppliers, visitors and employees to constantly clean their hands. We have also provided ppamphlets to all staff; thermometer scanners for temperature and main gates and to VIP drivers; social distance markings both to g-FleeT premises and its identified vehicles; installation of the separation screens between drivers and passengers to both VIP and buses (mini/Midi); registers (All g-FleeT sites including regions); Cloth Masks (all staff; 2 per person); COVID-19 guide on g-FleeT vehicle developed and approved by HoD; Additional backpacks for disinfecting offices and vehicles. COVID-19 communication through posters on Notice Boards and e-mails is continuing.

The Entity has been providing services to its clients throughout different levels of the lockdown period. Critical employees were given laptops and data cards to allow them to be able to work from home. In addition, the Entity conducted all meetings online, through Microsoft Teams (with officials above 10). Employees also continued throughout the year be come to work on a rotational basis to minimise the number of employees at work at a time. All of this was aimed at ensuring that the services continue through different levels of the lockdown period.

During the year under review, at total of sixteen (16) COVID-19 positive cases were reported. Most cases were reported between June 2020 to August 2020 (8) and between January 2021 to February 2021 (8). Fortunately, there has been no fatality to date. All employees have recovered and are back at work.

Table: Progress on Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographic location (Province/ District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
Programme 1 and 2 (Operational Management	Provision of the PPE	All g-FleeT offices	204 *(All g-FleeT employee)*	204 *(All g-FleeT employees)*	R3,000	R1.215.999.08	Not applicable	Healthy employees
Services & Corporate and Financial Management)								

Linking performance with budgets

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
Permanent Fleet	207 367	226 013	-18 646	263 565	265 983	-2 418
Finance	17 436	14 982	2 454	16 894	15 180	1 714
Transport Support Services	194 104	159 674	34 430	251 233	231 908	19 325
Fleet Maintenance	136 404	138 787	-2 383	166 012	120 563	45 449
Communications	12 769	11 397	1 372	11 886	10 862	1 024
TOTAL	**568 080**	**550 853**	**17 227**	**709 590**	**644 496**	**65 094**

Programme 2: CORPORATE AND FINANCIAL MANAGEMENT

This programme is responsible for ensuring a well-run organisation by designing and maintaining effective systems and processes that will result in optimal use of The Entity's assets in the delivery of services.
The following are the sub-programme structures:

- VIP and Pool Services
- Finance
- ICT

Outcomes, outputs, output indicators, targets and actual achievements

- **Average % of rental days utilised for VIP self-drive vehicles, 50%** - the Entity achieved 64.76% against a target of 50%. This contributes to the impact of a sustainable, safe, efficient, reliable and affordable fleet management solution.

- **Average % of rental days utilised for Pool vehicles, 69%** - the Entity achieved 95.33% against the target of 69%. These vehicles were in high demand by Departments providing essential services during the lockdown. This in return maximise Entity returns and ensure financial sustainability.

- **Unqualified opinion from Auditor General of South Africa** - a well governed institution is built on clean administration. Thus, a clean government administration is one that puts the principles of the Constitution, 1996 into daily use. As such, the Entity achieved an unqualified audit opinion from the Auditor General of South Africa.

- **30% of procurement spent on goods and services and construction (Excluding all transversal contracts TR3, RT15, RT46 and RT57 etc. All non-procurement spent e.g municipal accounts, AG, claims against State)** - The Entity achieved an average of 49%. This is due to the aggressive implementation of the policy on the procurement spent on township businesses.

Average debtor's collection days (excluding outstanding balances of clients that have payment arrangements with the Entity), 15% – while this is necessary for clean administration, it has direct

- implication on financial sustainability of the Entity. As such a target of 15% reduction on debts outstanding was set. The Entity did not meet the target as the average collection days were increased by 18.52%.

ICT strategy developed and implemented – the ICT strategy for the next five years was developed by State Information Technology Agency (SITA) for approval in April 2021. However, one module of the Fleet information system could not be developed due to dependency on the strategy.

Table 2.4.4.1:

(The table below reflects ONLY the planned target and actual performance from the originally tabled Annual Performance Plan (APP) 2020/21 up until the date of re-tabling of the Revised Risk Adjusted APP 2020/21 in Quarter 2. Although the deviation from the planned target is calculated based on the Annual target in accordance with the Annual Report Guide for National and Provincial Departments issued by National Treasury on 31 March 2021, it should be noted that the actual achievements for the indicators in the below table do not reflect performance for the entire 2020/21 financial year, but only for quarter 1 (April – June 2020) of the financial year 2020/21.)

Programme / Sub-programme: Corporate and Financial Management									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Maximise on return on investment	Average % of rental days utilised.	Average % of rental days utilised by VIP self-drive vehicles.	42.36%	53.94%	52%	68.80%	+16.80%	Increased utilization of services	Anticipated a reduction in short rental services requests due to COVID-19 lockdown.
Maximise on return on investment	Average % of rental days utilised.	Average % of rental days utilised for Pool vehicles.	85.14%	81.84%	71%	96.61%	+25.61%	Increased utilization of services	Anticipated a reduction in short rental services requests due to COVID-19 lockdown.
Clean Administration	Unqualified opinion from Auditor General	Unqualified opinion from Auditor General	Unqualified opinion with findings for 2017/18	Unqualified opinion with findings for 2018/19	Unqualified opinion from Auditor General				n/a
Township Economy Revitalization (TER)	Spending on Township businesses	30% of procurement spent on goods and services, and construction (Excluding all Transversal contracts TR3, RT15, RT46 and RT57 etc. All non-procurement spent e.g Municipal Accounts, AG, Claims	n/a	n/a	30%				n/a

Programme / Sub-programme: Corporate and Financial Management									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
		against State)							
Improved debt collection	Reduced debtor's collection	Average debtors' collection days (excluding outstanding balances of clients that have payment arrangements with The Entity)	13.09%	70.36%	20% (Excluding amounts owed by clients that have submitted written payment arrangements)	48.16%	-68.16%	COVID-19 lockdown	Departments were not processing payments on time due to COVID - 19.
Improve efficiency & customer services	ICT Strategy developed and implemented.	ICT Strategy developed and implemented	Phase 2 implementation of ICT Strategy: FIS Market research completed PABX implemented Microsoft365 implemented.	Driver 2: Digital, Technology and Analytics: CRM	2 Modules / processes approved in the strategy implemented	0	0	Third party service provider not appointed to develop the strategy.	Delayed appointment of the third-party service provider due to CIVID-19 related delays.

*Actual achievement must be reported in relation to the performance information reflected in the originally tabled Annual Performance Plan until date of re-tabling (In the instance where a Department has re-tabled an Annual Performance Plan in the financial year under review).

Table 2.4.4.2:

The table below provides for the planned and actual achievements against the re-tabled Revised Risk Adjusted APP 2020/21.

Programme / Sub-programme: Operational Management Services								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Maximise on return on investment	Average % of rental days utilised.	Average % or rental days utilised by VIP self-drive vehicles.	42.36%	53.94%	50%	64.76%	+14.76%	Increased client demand

Programme / Sub-programme: Operational Management Services								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Maximise on return on investment	Average % of rental days utilised.	Average % of rental days utilised for Pool vehicles.	85.14%	81.84%	69%	95.33%	+26.33%	Increased client demand
Clean Administration	Unqualified opinion from Auditor General	Unqualified opinion from Auditor General	Unqualified opinion with findings for 2017/18	Unqualified opinion with findings for 2018/19	Unqualified opinion from Auditor General	Unqualified opinion from Auditor General for the 2019/20 FY with matters of emphasis	n/a	n/a
Township Economy Revitalization (TER)	Spending on Township businesses	30% of procurement spent on goods and services, and construction (Excluding all Transversal contracts TR3, RT15, RT46 and RT57 etc. All non-procurement spent e.g Municipal Accounts, AG, Claims against State)	n/a	n/a	30%	49%	+19%	Aggressive implementation of the policy.
Improved debt collection	Reduced debtor's collection	Average debtors' collection days (excluding outstanding balances of clients that have payment arrangements with The Entity)	13.09%	70.36%	15% (Excluding amounts owed by clients that have submitted written payment arrangements)	18.52%	-3.52%	Through the aggressive implementation of the debtors management policy, the Entity managed to reduce the average debtors' collection days.
Improve efficiency & customer services	ICT Strategy developed and implemented.	ICT Strategy developed and implemented	Phase 2 implementation of ICT Strategy: FIS Market research completed PABX implemented Microsoft365 implemented.	Driver 2: Digital, Technology and Analytics: CRM	1 Module / Process approved in the strategy implemented	ICT Strategy developed for approval in April 2021.	ICT strategy developed for approval by SITA. However, one module of the Fleet information system could not be developed due to dependency on the strategy.	The process of appointing a service provider was delayed. The Strategy was concluded in the 4th quarter. The Entity could not identify and implement 1 module before the strategy was finalized.

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Strategy to overcome areas of under performance

ICT Strategy developed and implemented: To procure the new fleet system by 2021/22. Develop and implement the Customer Care Management module by 2021/22.

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The President of the country, Honourable Cyril Ramaphosa on 23 March 2020 announced a countrywide lockdown in response to the COVID-19 pandemic, part of the lockdown is that only certain categories of businesses can remain open. The Minister of Employment and Labour issued a directive in terms of Regulation 10(8) of the Regulations issued by the Minister of Cooperative Governance and Traditional Affairs in terms of Section 27 (2) of the Disaster Management Act, 2002 (Act No. 57 of 2002). The directive sets out the measures that employers are required to take to prevent the transmission of COVID-19 in the workplace.

In response, the department established COVID-19 Steering Committee in March 2020 which g-FleeT Management was part of to monitor the provision and maintenance of the working environment that is safe and without risk to health and safety of employees, clients and visitors. The Steering Committee was tasked to identify hazards and risks that may have adverse effects to health and safety, put control measures to mitigate and eliminate identified risks, provide information and training on SHERQ management issues, provide Personal Protective Equipment (PPE) and develop Standard Operating Procedures (SOP's), conduct COVID-19 screening, testing and medical surveillance, occupational hygiene surveys and audits. In addition, the departmental baseline Hazard Identification Risk Assessment (HIRA) and Enterprise-wide Strategic Risk Assessment were developed and approved by the Head of Department on the 21st April 2020 and 13th May 2020.

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The Entity has been providing services to its clients throughout different levels of the lockdown period. Critical employees were given laptops and data cards to allow them to be able to work from home. In addition, the Entity conducted all meetings online, through Microsoft Teams (with officials above 10). Employees also continued throughout the year be come to work on a rotational basis to minimise the number of employees at work at a time. All of this was aimed at ensuring that the services continue through different levels of the lockdown period.

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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 1 and 2 (Operational Management Services & Corporate and Financial Management)	Provision of the PPE	All g-FleeT offices	204 *(All g-FleeT employee)*	204 *(All g-FleeT employees)*	R3,000	R1.215.999.08	Not applicable	Healthy employees

Linking performance with budgets

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
VIP and Pool Services	18 748	16 878	1 870	21 421	18 419	3 002
Finance	17 436	14 982	2 454	16 894	15 180	1 714
ICT	6 985	2 540	4 445	6 830	6 441	389
TOTAL	**43 169**	**34 400**	**8 769**	**45 145**	**40 040**	**5 105**

2.4.5. Capital Investment

Capital investment, maintenance, and asset management plan

Infrastructure projects	2020/21			2019/20		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
New and replacement assets	200 000	218 810	-18 810	258,598	258,916	-318
Existing infrastructure assets						
Upgrades and additions	14 329	15 736	-1 407	6,949	6,954	-5
Rehabilitation, renovations, and refurbishments						
Maintenance and repairs	2 300	0	2 300	50	32	18
Infrastructure transfer						
Current						
Capital						
Total	**216 629**	**234 546**	**17 917**	**265,597**	**265,902**	**-305**

A large portion of the Entity's CAPEX budget is allocated for acquiring new vehicles for various client departments.

The Entity continued to work with the Department of Infrastructure Development to ensure that g-FleeT offices are maintained and compliant to the OHS Act. The Department of Infrastructure Development as an implementing agent for rehabilitation programme, appointed a service provider to rehabilitate the Wellness Centre, Car Wash and Panel beating Workshop in October 2020. The tender was advertised in 2019/20 financial year and awarded on 13 August 2020. The site was handed over to the appointed contractor and started on 21 October 2020. The project is underway and envisaged to be completed by 30 November 2021.

2.5. PART C: GOVERNANCE


caps lock
FLEET
MANAGEMENT

2.5.1. INTRODUCTION.

The Entity regards governance as fundamentally important to the achievement of its strategic objectives and the fulfilment of its responsibilities in meeting service delivery standards. It is paramount that The Entity ensures that its values are well defined and are entrenched in all structures of the organisation. The Entity has applied the principles as set out in in the code of professional conduct, ensuring that its leadership applies the 'tone at the top' approach in carrying out responsibilities in good faith, with due diligence and care, for the best interests of The Entity and all its stakeholders. The Entity always strives to maintain and improve its standards of good governance through the concerted efforts of various management committees.

2.5.2. RISK MANAGEMENT, FRAUD, AND CORRUPTION

Risk Management is an essential function in ensuring that The Entity employs effective and efficient means in managing risks that can hinder the achievement of its objectives. Strategic, Fraud, Auction, RT46 2020 Migration as well as operational risk assessments were conducted, and mitigating factors were identified for implementation. Emerging risks are continuously identified as per changes in the environment, legislation as well as strategies considering both internal and external factors. Risk registers are living documents, they are amended at any time to best suit the circumstances The Entity faces that could hinder the achievement of its objectives, and a new Covid-19 Risk Register was established due to the Pandemic. Risk assessments are also used to formulate risk-based audit plans which are approved by the Audit Committee.

The Risk Management Committee is regulated by the approved Risk Management Committee charter. An independent chairperson has been appointed. The performance and progress of the risk management are monitored and reported at the Risk Management Committee on a quarterly basis. The committee provides the risk-mitigating factors and monitors the movement of risk ratings with the view of improving the control environment. The Risk Management Committee considers the progress of implementation of recommendations on audit findings, performance report, Occupational Health and Safety report, Information and Communication Technology report, risk report, and other matters relating to risks.

Progress made in addressing the identified risks

Below are The Entity's top risks, that were identified by management throughout the financial year:

- ✓ Inadequate Automated Systems to support Business Operations
- ✓ Possible Misstatements in the Annual Financial Statements
- ✓ Loss/Theft of Assets
- ✓ Compromised Implementation of the long-term strategy of The Entity
- ✓ Under collection of Revenue
- ✓ Inadequate Contribution to Provincial Economic Growth

The Entity has implemented most of its action plans relating to under collection of revenue, Inadequate Contribution to Provincial Economic Growth and met its target and Possible Misstatements in the Annual Financial Statements. Few action plans still need to be completed for the risk relating to Loss/Theft of Assets, The Entity experienced challenges in addressing

risks associated with the implementation of its long-term strategy, Inadequate Automated Systems to support Business Operations disaster, as well as overall management of its assets. Some of the reasons for delays in implementing the mitigating strategies include lack of skills, high vacancy rate, outdated structure, and legal challenges for phase 2 projects. Several risks have been carried into the new financial year's strategic risk register with improved mitigating strategies.

The Entity through the office of the Premier has started the process of reviewing and realigning the organizational structure. This project is envisaged to be completed before the 2021/22 financial year. Critical posts have been advertised and will be filled by end of the 2021/22 financial year.

The rehabilitation of the three buildings (Panel Beating Workshop, Wellness Centre, and Car Wash) are ongoing and the Phase 2 projects will commence once the legal challenges have been resolved.

The Entity subscribes to the zero-tolerance stance against Fraud and Corruption. In a bid to ensure that the Fraud and Corruption activities are eliminated, The Entity works in partnership with the Gauteng Department of Roads and Transport and Gauteng Provincial Treasury. The Entity continued to implement action plans from the approved Fraud Prevention Plan on a quarterly basis.

The progress on the implementation of action plan is monitored on a quarterly basis. Given that the Fraud Prevention Plan is a living document, the Entity is in the process of updating and revising the Fraud Prevention Plan during the year under review to ensure amongst other things that the plan incorporates principles contained in the PFMA, Public Sector Anti-Corruption Strategy, Public Sector Integrity Management Framework, Gauteng Anti-Corruption Strategy 2015-2019, as well as the Public Service Regulations.

The Fraud and Corruption risks were identified during the Fraud Risk Assessment workshop. The preventative and detective control measures currently in place to mitigate the risks that were outlined and agreed action plans with implementation dates were developed.

2.5.3. MINIMISING CONFLICT OF INTEREST

The Entity, through the internal control systems monitored by the Office of the MEC, ensures that all Senior and Middle Management members declare their interest on an annual basis in line with the requirements of the Public Service Commission.

Furthermore, all employees including employees on levels 1 to 12 are encouraged to request permission to perform work outside their normal remunerative work. In relation to the Supply Chain Management processes, directors of all companies submitting quotations to provide goods or services are required to complete SBD 4 Declaration forms.

The internal audit section from Gauteng Audit Services conducts a data analysis review bi-annually to evaluate whether legislative requirements and/or prescripts are adhered to. The scope of this Audit initiative includes 'the identification of officials in the service of the Department who are also listed as directors/shareholders in a company trading with Gauteng Provincial Government (GPG) Departments or entities.

2.5.4. CODE OF CONDUCT

The Entity utilises the Department of Public Service and Administration Code of Conduct. Cases of misconduct are escalated to the Gauteng Department of Roads and Transport for investigation and recommendations from the investigations are implemented by management.

2.5.5. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The establishment of the Occupational Health and Safety (OHS) Committee

The Entity is in the process of re-establishing the Occupational Health and Safety (OHS) Committee. The focus during the financial year under review has been to get the senior management and members of the OHS Committee trained in the various areas of specializations in alignment with the act.

Addressing the OHS issues in the organization has been a focal point particularly through the plans of the Facilities and Securities Unit. The Facilities and Securities Unit continued to implement the recommendations from the OHS audit report approved in March 2017. The major delay that has been experienced is with the Phase 2 Infrastructure projects that will contribute extensively in addressing OHS issues related to the dilapidated and old infrastructure within the Head Office premises. The Entity is getting assistance from the Department of Infrastructure Development (DID) to maintain the buildings of The Entity at Bedfordview, Ipeleng and Koedoespoort. Regarding the Regional Offices, the Entity is working with landlords to ensure that the buildings occupied by our staff in the Regional Offices are compliant to OHS Act.

Continuous monitoring and maintenance of the facilities will continue to be done. The major concern is the support from the staff in ensuring that once OHS issues in their environment have been addressed and rectified, they ensure the upkeep and respect for the property.

The organization will continue to manage the issues and address them accordingly within the resources available and will continue to create a conducive environment for staff to contribute to the service delivery, morale, and productivity in The Entity.

2.5.6. PORTFOLIO COMMITTEES

Questions Emanating from the 4TH Quarter Report for 2019/20

Reference No	Question / Recommendation	Department Response
01	The Entity should provide a detailed report on the under expenditure recorded at the end of the financial year.	The total adjusted budget for the 2019/20 financial year was R789,746 million and The Entity spent R710,149 million (90%) as of 31 March 2020,. The Entity has underspent the allocated budget by a total of R79,597 million. **Reasons for under expenditure**: The under expenditure for the 2019/20 financial year is attributed to underspending on Compensation of Employees and Goods and Services. **Compensation of Employees** The budget for Compensation of Employees was based on the filled and funded vacant posts. The funded vacant posts were in relation to critical positions that were anticipated to be filled during the 2019/20 financial year. However, a moratorium was issued by the Gauteng Department of Roads and Transport during the year to halt all recruitment processes, this resulted in under expenditure of R5,110 million within the Compensation of Employees category. The GDRT appointed a service provider in January 2020 to review and re-align the organisational structure. This exercise was expected to be completed by 30 March 2020, however, due to the COVID-19 delays, the proposed organisational structure is anticipated to be submitted to the Department of Public Service and Administration by 30 September 2020 for concurrence. **Goods and Services** An amount of R1,200,000 was budgeted within the office of the CFO for the review and benchmarking of The Entity's tariffs however could not be concluded in the 2019/20 financial year due to a protracted tender process. The project has been rolled over to the 2020/21 financial year. The Departmental Bid Adjudication Committee (BAC) approved the Terms of Reference and Tender Specification during February 2020 The under expenditure of approximately R10 million within Corporate Services relates to savings emanating from the Cost Containment Measures in relation to the hiring of venues and facilities, research for the fleet management system, workshops, and training. Maintenance Services recorded an under expenditure of R45,449 million relating to repairs and maintenance of the fleet. This under expenditure is attributed to the average age of the fleet. The average age of the fleet for the 2019/20 financial year was less than four years, consequently, the repair and maintenance costs per vehicle were lessened. Transport Support Services recorded an under expenditure of R19,325 million relating to vehicle tracking services. The new comprehensive vehicle tracking tender was concluded in July 2019 and the contract was concluded in December 2019.

Reference No	Question / Recommendation	Department Response
		The installation of the tracking devices resulted to under expenditure.
02	The Department should provide a detailed report on the payment arrangements with the owing client Departments.	Progress report on active payment arrangements with the owing client Departments as of 31 March 2020. **Gauteng Department of Health** In April 2018, the Gauteng Department of Health (GDoH) submitted a written payment commitment for an outstanding balance of R111 million as of 31 March 2018. The commitment was structured as follows: • 1st instalment: May 2018 – R25 million • 2nd instalment: May 2019 – R25 million • 3rd and final instalment: May 2020 – R61 million In addition to the arrangement of R111 million owed as of 31 March 2018, The GDoH committed to pay the current monthly invoices within 30 days from the date of receipt. The GDoH owes The Entity an amount of R78,603,225.01 as of 31 March 2020,. The COCID-19 pandemic has been identified as a risk that is likely to negatively impact the revenue collection prospects of The Entity, however, The Entity is still expecting the last tranche payment of R64,389 million from the GDoH in line with the submitted payment plan. **The Department of International Relations and Cooperation** On the 3rd March 2020, The Entity received an additional settlement agreement from the Department of International Relations and Cooperation (DIRCO) to settle the amount of R2,907,810.40 on or before 31 March 2020. The said amount was duly paid in March 2020, leading to the upliftment of the temporary suspension on fuel cards. The Entity considers all settlement proposals or plans on an individual basis, and such plans are monitored monthly.
03	The Entity should also provide progress reports on the concerns raised by the committee on the site visit in the Durban Regional office.	**Organizational Structure** The GDRT appointed service provider in January 2020 to review and re-align the organisational structure. This process will ensure that the organisational structure is aligned to the 2021-2025 Strategic Plan. The Regional Offices are very strategic for The Entity to meet customer needs, maintain their customers, and grow its business. One of The Entity's current strengths is the footprint it has in other provinces. The new Service Delivery Model and Business Case will also ensure that the Regional Offices are strengthened and ICT is optimally utilised.

Reference No	Question / Recommendation	Department Response
		Furthermore, in improving the state of the Regional Offices, the following key activities will be implemented by The Entity: ○ Automate online bookings (online); ○ Automate chauffeur driver scheduling; ○ Improve reporting (by business unit and by region); ○ Quarterly face-to-face meetings with management; ○ Monthly meetings (Microsoft teams) and ○ Supervisor/lead worker in each region. ▪ Automation and digitisation - systems are the core of The Entity's operational strategy. It is only through the aggressive adoption of new technologies that The Entity will move from one spectrum to the other. Systems include automation, digitization, and internal controls. ▪ Training and development – developing a high-performance culture to maintain excellence in operations. Human Capital Development includes aligning organisational structure strategy, training, and development of employees to ensure levels of high performance. **Staffing issues** The Entity, including the Head Office and Regional Offices, has currently a twenty-five percent (25%) vacancy rate. Due to a moratorium issued GDRT in 2019, The Entity was unable to fill the vacant posts. A request to the Member of the Executive Council for GDRT has since been made by The Entity to fill the critical vacant posts. The Entity is in the process of consulting Labour regarding the filling of the proposed critical posts. In addition, from time to time temporary arrangements wherein officials from the Head Office are deployed to Regional Offices when the regional officials are on leave and the officials are also afforded opportunity to attend

Reference No	Question / Recommendation	Department Response
		training programmes as and when identified. **Cleaning services** Concerning cleaning services, a service provider has been appointed and already on site. **Employee Self Service (ESS)** Regarding access to the Employee Self Service (ESS) System, the ESS module was installed for all provincial offices and provincial officials were trained on how to utilise ESS. However, from time to time access problems are experienced by offices especially outside the Gauteng Province.

Responses to the Committee's House Resolutions on the 4th Quarter Performance Report for the 2019/20 Financial Year.

Reference No	Question / Recommendation	Department Response
01	On the measures in place to ensure the service delivery planned targets affected by COVID-19 Pandemic are implemented. Post lockdown, in the financial year.	Due to lockdown, a Risk Adjusted Annual Performance Plan (APP) for the 2020/21 financial year as well as the 2020-2025 Strategic Plan have been developed to ensure that the service delivery planned targets affected by COVID-19 pandemic are implemented, post lockdown in the next financial year and 2021/22 MTEF period.

Responses to the Committee's Questions on g-FleeT Managements Annual Report for the 2019/20 Financial Year.

Reference No	Question / Recommendation	Department Response
29	The Entity should provide a detailed progress report on the payment arrangements with the owing client Departments.	During the 2019/20 financial year, The Entity had payment arrangements with the Gauteng Department of Health (GDoH), Gauteng Department of Infrastructure Development and National Prosecuting Authority. The Gauteng Department of Infrastructure Development and National Prosecuting Authority have fully settled their overdue account in the 2019/20 financial year as per the payment arrangement. Gauteng Department of Health's final instalment date was 31 May 2020 as per the payment arrangement however, the payment was only made in the second quarter of the 2020/21 financial year.

Reference No	Question / Recommendation	Department Response
		Overall The Entity has collected a total of R884.718 million which is consistent with the monthly target of collecting an average of R72 million. With these collection, The Entity managed to reduce the overall debt book from R214.937 million at the beginning of the year to R163.198 million at the end of the 2019/20 financial year.
30	The Department should provide a detailed report and intervention plan in place to curb the under expenditure recorded by the Department.	By the end of the 2019/20 financial year, The Entity had spent 90% (710.149 million) of its annual budget (R789.746 million). **Intervention Plan** • The Entity's budget section will report to heads of business units of their spending behaviour on monthly basis. • The heads of business units will be requested to provide reasons of under and overspending against the budgeted amounts. • The Entity, as per budget prescripts, will adjust the budget where under expenditure is unavoidable.
31	The Entity should provide a detail report on the programmes that contributed largely to the under expenditure.	Corporate Services and Maintenance Services contributed largely to the under expenditure reporting 78% and 73% respectively.

Responses to the Committee's House Resolutions on the adopted oversight report on the Annual Report of g-FleeT Management for the 2019/20 Financial Year.

Reference No	Question / Recommendation	Department Response
29	On the implementation plan, and progress thereof, to address emphasis of matter as raised by the Auditor General on the audit opinion on the performance of the Department and g-FleeT Management.	The Office of the Auditor General in its auditor's report issued to the Entity for the financial year 2019/20, raised an emphasis of matter on the annual performance report on Programme 2: Corporate and Financial Management, particularly on the set target' percentage of maintenance expenditure on Gauteng township businesses' a) The target was purely dependent on the RT46 contract (a transversal vehicle service and maintenance contract administered by the National Treasury of South Africa). b) The Entity had no direct contract with the service providers appointed through the RT46 contract hence did not influence how work is distributed amongst the various merchants. c) The Entity has since removed the target as it does not have any control over it. That said however, the Entity has an additional annual output indicator that talks to the

Reference No	Question / Recommendation	Department Response
		provincial priority which seeks to speed up growth and transform economy through the revitalization of township economy. This annual target is "30% of procurement spent on goods and services and construction (excluding all Transversal contracts TR3, RT15, RT46 and RT57 etc. All non-procurement spent e.g. Municipal Accounts, AG, claims against State)". The Entity can report that this target was achieved during the fourth quarter of the 2020/21 financial year.

Responses on oversight Committee on Roads and Transport Oversight Report on the First Quarterly Report for the 2020/21 Financial Year.

Reference No	Question / Recommendation	Department Response
01	Measures put in place to ensure the attainment of service delivery targets not achieved in the quarter under review in the next quarters of the financial year.	Out of the nine (09) planned targets for the quarter under review, The Entity did not achieve three (03) targets, namely: 1. 90% of vehicles auctioned 2. Draft ICT Strategy and Implementation Plan and 3. 20% average debtors' collection days (excluding outstanding balances of clients that have payment arrangement with The Entity) ***Refer to table below outlining the Key Performance Indicators and measures put in place to ensure that the service delivery targets are achieved in the next quarters of the financial year.**
05	The Appointment of the CFO and COO at g-FleeT Management.	The Entity was granted approval by the Member of the Executive Council for the Gauteng Department of Roads and Transport to advertise and fill the forty-five (45) critical vacant posts. These posts include the position of the Chief Financial Officer (which must be filled out adjustment) and the position of the Chief Operations Officer. The Entity had to ensure compliance to the Department of Public Service and Administration (DPSA) Circular 19 of 2020 for filling of posts during the lockdown period. A motivation letter to DPSA why each of the

Reference No	Question / Recommendation	Department Response
		pots is critical was approved by the Head of Department for the Gauteng Department of Roads and Transport. The draft adverts and job descriptions for the positions of Chief Financial Officer and Chief Operations Officer have been submitted to The Entity's Human Resources Unit and DPSA and will be advertised in the DPSA circular 25 on 30 October 2020. The adverts for the two positions will further be published in the newspaper on 01 November 2020. The recruitment process is anticipated to be concluded before the end of the current financial year.

***The table below outlines the Key Performance Indicators and measures put in place to ensure that the service delivery targets are achieved in the next quarters of the financial year.**

NO.	KEY PERFORMANCE INDICATOR	MITIGATING MEASURE
1.	90% of vehicles auctioned.	• As result of the unprecedented scourge of COVID-19, The Entity was unable to proceed with the live auction due to several regulations enacted to curbing/controlling the spread of the virus. • To ensure that that Entity complied with the lockdown regulations for auctioneering services, The Entity had to re-strategize and opted for an online auction. The auction was subsequently held in the second quarter of the current financial year. • The Entity will continue with the online auctions for the foreseeable future as the "new normal" proved to be successful.
2.	Draft ICT Strategy and Implementation Plan.	• The target to Draft the ICT Strategy and Implementation Plan was not achieved in the first quarter due to a third-party service provider not being appointed to develop the strategy. • The Entity has been granted approval to appoint the State Information Technology Agency (SITA) to review and develop a Five-Year ICT Strategic Plan. It is

		envisaged that the target will be achieved by the end of the current financial year.
3.	20% average debtors' collection days (excluding outstanding balances of clients that have payment arrangements with the Entity).	• The disruption brought by COVID-19 had an adverse impact on the collection of outstanding debts since the process of reconciling the accounts by client Departments took longer than normal, due to regulations that were applicable to all government Departments. • The Entity had robust engagements with client Departments through Microsoft Teams meetings and assisted The Entity's clients with any other substantial documents to accelerate the payment process. • The management is pleased that these engagements have led to payments being made, especially the long outstanding debts from the Gauteng Department of Health. The total receipts for the second quarter doubled the revenue collected in first quarter of the current financial year. • The management will continue to monitor progress in this regard and fully implement the debt collection procedure prescribed in the approved Debtors Management Policy which includes temporary suspension of fuel cards for defaulting client Departments, should a need arise.

Responses on the Portfolio Committee on Roads and Transport Oversight Report on the Second Quarterly Report for the 2020/21 Financial Year.

Question No	Question / Recommendation	Department Response
01	The Department and g-FleeT Management should provide the Committee with a detailed plan on how the planned HDI targets, in particular Women and PwD's will be achieved in the remaining two quarters of the financial year.	*The table below provides The Entity's status quo with regards to achievement of Equity Targets. This status quo is based on all appointments made by The Entity relating to goods and services, construction, tenders and transversal contracts both from National Treasury and SITA. Based on the performance in the last two quarters for HDI, Women and Youth, The Entity projects that these targets will be achieved by end of the financial.

Question No	Question / Recommendation	Department Response
		The Entity may not be able to meet the target for Military Veterans (30%) as it was only introduced late in the year. The Entity will continue to work with the Gauteng Department of Roads and Transport and the Department of Military Veterans to ensure compliance. In order to achieve / meet the target for PwD, The Entity needs to appoint one (1) or two (2) more companies that are 100% owned by People with Disabilities.
05	g-FleeT Management should provide the Committee with a detailed report on the development and implementation of ICT Strategy including the remedial actions, budgets thereof and reviewed timelines.	Development and implementation of the ICT Strategy: On 21 September 2020, The Entity was granted approval by the Head of Department for the Gauteng Department of Roads and Transport to appoint State Information Technology Agency (SITA) to review and develop The Entity's five-year ICT Strategy. On 29 September 2020, SITA was appointed by The Entity for the services and the project is envisaged to be completed by the end of the financial year. The planned milestone, planned deliverables, planned timelines, status, reasons for the delays, remedial action and approved budget.

**** The table below provides The Entity's status quo with regards to achievement of Equity Targets.***

B-BBEE TARGET	% ANNUAL TARGET	Q1 ACTUAL	Q2 ACTUAL	Q3 ACTUAL	Q4 PROJECTIONS	OVERALL ACTUAL ACHIEVEMENT
HDI	80%	94%	73%	82%	82%	83%
WOMEN	30%	23%	33%	36%	35%	31%
YOUTH	10%	5%	24%	9%	10%	13%
PWD	2%	0%	2%	0%	3%	1%
MV	30%	0%	3%	0%	5%	1%

The table below shows the total amounts of awards in rand value relating to Equity Targets:

TOTAL AWARDS PER QUARTER					
B-BBEE TARGET	**Q1**	**Q2**	**Q3**	**ANNUALLY**	
	R	**R**	**R**	**R**	**%**
HDI	19 367 653	51 468 693	6 495 871	**77 332 217**	83
WOMEN	1 620 786	19 922 688	1 117 197	**22 660 671**	31
YOUTH	104 489	1 398 099	213 180	**1 715 768**	13
PWD	-	13 230	-	**13 230**	1
MV	-	553 915	68 640	**622 555**	1

The table below outlines planned milestones, planned deliverables, planned timelines, status, reasons for the delays, remedial action and approved budget:

Planned Milestone	Planned Deliverables	Planned Timelines	Status Complete/Not	Reasons for the delay	Remedial action
Project management	Project Charter.	23 October 2020	Complete	• There were delays after the appointment of SITA due to the non-availability of the Project Manager and SITA. • The project kick-off meeting only took place on 05 November 2020. • Challenges with peer review due to current pandemic situation. This requires a face to face collaboration among the SITA project team. (This milestone has started, and it is almost complete) • This is dependent on the latter milestone, which is almost complete.	The Request for Change (RFC) to change the project completion date on the plan was signed by the Project Manager on 10 February 2021. This process will enable the stakeholders to align the project plan to the new dates.
	Project Clan.		Complete		
Business articulation	Business strategies review report.	20 November 2020	Complete		
	Stakeholder perspective on ICT analysis report (including stakeholder concerns).		Complete		
Review and revise	ICT strategy gap report	15 January 2021	Not Complete		
	ICT implementation plan gap report.		Not Complete		
Reporting	Consolidated gap analysis report and recommendations.	05 February 2021	Not complete		
Project closure	Project closeout and final ICT Strategy report (end of the project).	31 March 2021			
Approved Budget					R 473, 329.18. (vat inclusive)

Responses to the Committee's Questions on g-FleeT Management's Third Quarter Performance Report for the 2020/21 Financial Year.

Reference No	Question / Recommendation	Department Response
45	The Entity should provide a detailed report on the revenue collection in the 3rd quarter.	The Entity continues to implement the approved Debtors Management Policy and the results are positively showing. As at the end of the third quarter of the 2020/21 financial year, The Entity surpassed its revenue collection projections and billing by 6% and 2% respectively.
46	The Entity should provide the GEYODI performance target in relation to contracts on vehicles repairs and installation of tracking devices	GEYODI performance target in relation to contracts of vehicles repairs and installation of tracking devices projects is not applicable

Reference No	Question / Recommendation	Department Response
	projects.	to The Entity. Management of repairs of vehicles is administered by a transversal contract, RT46, which The Entity has no control over. The installation of tracking device project is outsourced to a service provider who won it through an open tender process. The service provider is black owned and indicated their BBB-EE status.

2.5.7 STANDING COMMITTEE ON PUBLIC ACCOUNTS (SCOPA) RESOLUTIONS

Responses on SCOPA Oversight Report on the Report of the Auditor-General of South Africa on g-FleeT Management for the year ended 31 March 2020

Resolution No.	Subject	Response by the Department	Resolved (Yes/No)
7.1	The Entity must submit a progress report detailing the effectiveness of the measures put into place to address findings on the annual financial statements by 31 July 2021 and every quarter continuing up until end of June 2022.	The Entity strives to clear all audit findings with a view to maintaining the unqualified audit opinion and possibly getting a clean audit. Consequently, the Entity developed action plans to address findings on the annual financial statements which clearly details each major audit finding with its respective action plan and implementation date. The action plans in the Audit Improvement Plan are tracked monthly and submitted to Gauteng Provincial Treasury, followed by a quarterly submission to the Audit Committee. The Entity, through its internal control section, further tracks progress on implementation of action plans for Gauteng Audit Services (GAS), audit findings, Strategic and Operations Risk register, Compliance Register and COVID-19 risk register. This process is yielding positive results as it addresses all identified weaknesses in the internal controls which potentially lead to audit findings. Progress on the Implementation of action plans for major findings on the annual financial statements were submitted to the Committee.	Yes, Ongoing
7.2	The Entity must submit to the Committee a plan on how they would conduct a comprehensive review of AFS prior to submission for auditing by 31 July 2021.	The Entity plans to prepare and submit the annual financial statements in accordance with the prescribed financial reporting framework, as required by Section 40(1)(a) of the PFMA. The Financial Statements closure timelines have been issued to officials within Finance. The first draft of the financial statements will be reviewed internally and by Gauteng Provincial Treasury. The second draft of the Annual Financial	Yes, Ongoing

Resolution No.	Subject	Response by the Department	Resolved (Yes/No)
		Statements will be reviewed by an independent service provider prior to submission for auditing by 31 March 2021. A detailed plan has been submitted to the Committee.	
7.3	The Entity must submit to the Committee a plan on how they would provide supporting documentation on time to auditors for auditing by 31 July 2021.	The Entity is required to submit requested information for audit within three working days as per the Audit Engagement letter. Below is the plan on how the Entity would provide supporting documentation on time for auditing. • All the requests for information(RFI's) for auditing will be coordinated and monitored by Finance. • Finance will receive all RFI's and distribute them to the relevant business units. • A link to upload requested information will be made available to all business units. With regard to responses to communications of audit findings the Entity is required to provide responses or managements comments within five working days. All responses will be coordinated by the Finance unit of the Entity and accordingly sent to auditors. Audit Steering Committee, comprised of the Entity's management and auditors will be established to sit weekly with a view to discuss all audit related issues including tracking of information requested.	Yes, Ongoing
7.4	The Entity must submit to the Committee its plan to prevent the occurrence of irregular expenditure, by 31 July 2021. This plan must include the assessment of its effect in the 2020/21 financial year.	During the 2020/21 financial year, the Entity has incurred only one case of irregular expenditure stemming from expired office rental in one the Regional Offices and this a continuation from the previous year. The Entity plans to enter into negotiations with Air Company South Africa (ACSA) with a view to extend contracts to accommodate all three it's Regional Offices. This is deemed as a great plan as ACSA is a Government Entity and has track records in as far as property management is concerned. The Entity, under the auspices of Gauteng Provincial Treasury has developed a compliance risk register which is tracked and monitored monthly.	Yes, Ongoing
7.5	The Entity must submit to the Committee its plan to investigate and reduce the Irregular Expenditure accumulated over years by 31 July 2021 and quarterly report progress continuing up until the end of June 2022.	The Entity has already commissioned an investigation on irregular expenditure incurred over years and eventually applied to condone the expenditure to Gauteng Provincial Treasury. The Entity believes that approval to condone the irregular expenditure will significantly reduce the irregular expenditure accumulated over year.s	Yes, Ongoing

Resolution No.	Subject	Response by the Department	Resolved (Yes/No)
7.6	The Entity must submit its plan detailing its adherence and compliance to the requirements of all applicable legislation to ensure that effective measures are implemented to ensure that contractual obligations are met by 31 July 2021 and a quarterly progress report continuing up until end of June 2022.	The Entity, under the auspices of Gauteng Provincial Treasury has developed a compliance risk register which is tracked and monitored monthly. The Compliance Risk Register was submitted to the Committee.	Yes, Ongoing
7.7	The Entity must submit its plan to prevent the occurrence of non-compliance with legislation and Regulation 16A6.1 by 31 July 2021. The plan must include the assessment of its effect in the 2020/21 financial year.	The Entity's SCM unit developed a strategic document for SCM processes which is aggressively being implemented. To this end, the Entity has not incurred any known irregular expenditure due to non-compliance with Legislation and Regulation 16A6.1.	Ongoing
7.8	The Entity must provide the Committee with a progress report detailing the status of investigating the transaction that were procured in violation of Treasury Regulation 16A.6.1 by 31 July 2021 and a quarterly progress report continuing up until finalisation thereof.	The Entity did not agree to this specific finding because there was an approval granted by the Head of Department to deviate. Management was surprised when this was included in the Audit report regardless of the supporting documents provided. Thus, there was no investigation commissioned.	
7.9	The Entity must provide the Committee with a progress report detailing the effectiveness of the measures put in place to address errors in the financial statements by 31 April 2021 and a quarterly progress report continuing up until the end of June 2022.	The Entity prepares its financial statements on quarterly and annual basis. The Annual Financial Statements are reviewed by the Gauteng Provincial Treasury (GPT) on quarterly and annual basis before submission to the Audit Committee (AC). The third quarter financial statement were submitted to GPT on 30 January 2021 and presented at the AC meeting that took place on 05th March 2021. The Entity prepares its financial records and reconciliations of transaction on monthly basis with the view of detecting and correcting any misallocation or errors. The process of clearing the old purchase orders on the system is at the advanced stage (80% of the old purchase orders have been deleted). The Entity has successfully migrated its Fixed Assets Register to SAP. Opening balances and additions of new vehicles up to end of February 2021 have been uploaded. One official responsible for Asset Management attended training on GRAP 104 on 10th March 2021.	Yes, Ongoing

Resolution No.	Subject	Response by the Department	Resolved (Yes/No)
		Approval for shortlisting and interviewing has been granted by the Head of Department. The filling of the approved critical posts will assist in strengthening the review processes and address the segregation of duty challenges. The Entity is in a process of acquiring a service provider to review the financial statements before submission to the Auditor General of South Africa.	
7.10	The Entity must implement the recommendations of the investigation reports by the Provincial Accountant General (PAG) and the Gauteng Audit Services (GAS), thereafter provide the Committee with a progress report detailing the status of the implementation of the recommendations by 31 July 2021 and a quarterly progress report continuing up until finalisation thereof.	Gauteng Audit Services (GAS) was mandated to conduct an audit with a view to establish if there were any duplicated payments to the value of R27 million. GAS report issued in the first week of March 2021, was not conclusive in the regard and therefore recommended a forensic audit. The Committee must be made that the Office of the Provincial Accountant General concluded that there were no duplicated payments. However, recommended the following: • The Entity must refrain from making payments without purchase orders. • That the Entity must migrate to SAP Asset Management Model from manual systems. It can be reported that both recommendations are fully implemented.	Yes, Ongoing
7.12	The Entity must provide the Committee with a progress report detailing the effectiveness of the action plan to address the root causes related to internal control deficiencies by 31 July 2021 and a quarterly progress report continuing up until the end of June 2022.	The Entity developed tracking sheet for all findings issued both by AG and GAS in terms of the action plans and implementation dates. Progress reports on the implementation of action plans on audit findings are prepared monthly and quarterly. The audit findings that are tracked monthly cover many processes of the operations of the Entity as required by law and regulations. These include financial statements, internal control systems, compliance and performance information.	
7.17	The Entity must submit its audit action plan indicating the following: Each area of finding by the AGSA in the 2019/20 FY, Plan by the Department to address the area of finding, time frame, and progress of implementation as at 31 March 2021. The Department must thereafter submit quarterly progress on the implementation of the audit action plans for	The audit action plans document is tracked and updated monthly. This document is submitted to the Provincial Treasury monthly and to the Audit Committee quarterly. Progress on the Implementation of action plans for major findings were submitted to the Committee.	Ongoing

Resolution No.	Subject	Response by the Department	Resolved (Yes/No)
	2020/21 until 30th October 2021.		

2.5.8 PRIOR MODIFICATION TO AUDIT REPORTS

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	The financial year in which it first arose	Progress made in clearing / resolving the matter
Irregular Expenditure (Non-compliance with PFMA and procurement processes.)	2014/15	Investigation report and memo to condone irregular expenditure has been sent to the Gauteng Provincial Treasury for consideration and approval. The Entity has put necessary internal controls to curb/eradicate irregular expenditure.
Fruitless and wasteful expenditure (Non-compliance with PFMA)	2014/15	No fruitless and wasteful expenditure was incurred by The Entity in 2018/19 and 2019/20 financial year. It is only during 2020/21 that the Entity incurred Fruitless and wasteful expenditure due to interest paid on late payments. This happened during hard lock down and the Entity has since introduced digital signatures to avoid late approval of invoices.
Contractual obligations and money owed by The Entity were not settled within 30 days (Non-compliance with PFMA)	2014/15	The Entity has achieved 97% compliance rate in terms of paying services providers with the prescribed 30 days' period in terms of the PFMA and TR. The Entity will continue to implement measures aimed at achieving 100% compliance rate. SAP has been fully implemented and the Purchases and Accounts Payable Standard Operating Procedure is being continuously implemented. Suppliers are encouraged to register on Electronic Invoicing System which allows them to submit invoices electronically thereby fast tracking payment process.

2.5.9 INTERNAL CONTROL UNIT

The Accounting Officer through monitoring and management of the Drivers of Internal Control ensures that set control objectives have the required control mechanisms and activities in place that will monitor and evaluate controls. The Accounting Officer continually assess and evaluate internal control to assure that the control activities in place are effective, efficient and transparent and updated when necessary. The Auditor-General also conducts an assessment on the Drivers of Internal Control of The Entity and the recommendations are taken into considerations when improvements of the control weakness are put in place.

Through strategic risk and operational risk assessments, control weaknesses and control gaps are identified and strengthened and new action plans put in place.

The internal audit section from Gauteng Audit Services performs reviews on g-FleeT processes and through the audit findings and audit recommendations the identified inadequate controls or lack of controls are strengthened or developed and new effective and efficient ones put in place.

2.2.10 AUDIT COMMITTEE REPORT

GAUTENG PROVINCIAL GOVERNMENT (GPG)

Report of the Audit Committee – Cluster 04

g-FleeT Management Agency

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

Audit Committee and Attendance

The Audit Committee consists of the external Members listed hereunder and is required to meet a minimum of at least two times per annum as per the provisions of the Public Finance Management Act, 1999 (Act Number 1 of 1999) (PFMA). In terms of the approved Terms of Reference (GPG Audit Committee Charter), Five meetings were held during the current year i.e. three meetings to consider the Quarterly Performance Reporting (financial and non-financial) and two meetings to review and discuss the Annual Financial Statements and the Auditor-General of South Africa's Audit and Management Reports.

Non-Executive Members

The table below discloses relevant audit committee information:

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

Executive Members

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

Compulsory Attendees	Number of Meetings attended
Mr. Noxolo Maninjwa (Chief Executive Officer)	05
Mr. Mbasa A. Ngumla (Former Acting Chief Financial Officer)	02
Mr. Matodzi Mamatsinya (Acting Chief Financial Officer)	03
Ms. Delicia Kgage (Acting Chief Risk Officer)	04
Ms. Duduzile Malebo (Acting Chief Risk Officer)	01
Mr. Kweyama Velile (Chief Audit Executive)	05

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

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

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38(1)(a) of the PFMA and Treasury Regulation 3.1. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this Charter and has discharged all its responsibilities as contained therein.

The effectiveness of internal control

The Audit Committee noted that the qualified audit outcome of g-Fleet Management has regressed from the prior year due to material findings on non-compliance and performance information as reported by Auditor-General of South Africa. Notwithstanding the impact of COVID-19 in the Entity that is already inadequately capacitated, management should improve the systems of internal controls around financial reporting, performance information, property, plant and equipment, related parties, recognition of revenue and expenses from principal and agent arrangement. The lack of adequate controls in these areas are the cause of the regression in the audit outcome.

In some instances, the systems of internal control for the period under review were found to be adequate but ineffective and there is room for improvement in so far as addressing internal audit findings timeously and implementation of consequence management, strengthening the internal control environment with the development and implementation of systems across the internal control universe and improve its financial reporting controls to ensure that risks of material misstatement to the financial statements are minimised.

Information and Communication Technology (ICT) Governance

The Audit Committee noted the report from Auditor-General of South Africa which stated that the status of IT controls was concerning and remained stagnant compared to the prior year, whereby the key weaknesses were in the areas relating to IT governance, user access management, program change management and IT service continuity management.

The implementation of an effective fleet system should enable better management and more effective use of the fleet. Despite repeated updates from management, the Audit Committee remains disappointed in the lack of progress implementing this fleet management system which will significantly improve the control enviornement.

Management should pay attention and address control deficiencies for the management of IT assets as per the report from internal audit.

Internal Audit

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

The Internal Audit team managed to execute and substantially complete all audit assignments of the all original approved risk-based audit projects within the allocated budget hours and time-frames. The Audit Committee is satisfied that the Internal Audit plan represented a clear alignment with the key risks, has adequate information systems coverage, and a good balance across the different categories of audits, i.e. risk-based, mandatory, performance, computer and follow-up audits.

The coordination of efforts between internal audit and Auditor-General of South Africa have been enhanced further during the year in the provision of assurance services. The Audit Committee believes this is an important step towards a fully effective combined assurance system .

Internal Audit was assessed to be Generally Conformant with the International Standards for Professional Practice of Internal Auditing.

The Audit Committee will continue to monitor the capacity and the resources allocated to the Internal Audit function.

Risk Management

The Audit Committee is responsible for the oversight of the risk management function. The risk management committee reports to the audit committee on the entity's management of risk. The Audit Committee has reviewed the risk register and the reports from the risk committee and is generally satisfied with the maturity level of the risk management process, however improvements to approach of mitigating risk, processes and policies to address the key risk exposures to the Department is still required. The Audit Committee encourages Management to ensure that appropriate resourcing of the risk management function and to take full responsibility for the entire Enterprise Risk Management Process to enhance the performance of the Entity including the appointment of an independent Risk Management Committee Chairperson which continues to be vacant.

Performance Management

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

The Audit Committee notes that the Auditor-General of South Africa has raised a finding on the usefulness of a key performance indicator and has requested that management together with the Auditor-General of South Africa find a sustainable solution in terms of the wording and evidence required to support the KPIs.

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

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

Compliance with the relevant laws and regulations

A number of non-compliance with the enabling laws and regulations were noted by Audit Committee, Management, Internal Audit and Auditor-General of South Africa during the year. As result, the Audit Committee recommended development and implementation of an effective compliance management system with an objective of addressing the issues of non-compliance with laws and regulations.

Forensic Investigations

Investigations into alleged financial irregularities, financial misconduct and fraud were completed during the year under review. Certain investigations are still in the process of finalisation. Various measures were recommended including taking action against the identified officials and this was in the process of finalisation. Remediation of recommendations are at various stages of implementation.

Evaluation of Annual Financial Statements

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

- Reviewed the draft annual financial statements prepared by the Entity before the submission of the annual financial statements to the external auditors for audit the audit committee meeting held on 21 August 2021 and recommended them for audit.
- Reviewed and discussed the audited Annual Financial Statements to be included in the Annual Report, with the Auditor-General of South Africa, the Accounting Officer and the CEO with focus on the following areas:
    - Significant financial reporting judgements and estimates contained in the annual financial statements.
    - Clarity and completeness of disclosures and whether disclosures made have been set properly in context.
    - Quality and acceptability of, and any changes in, accounting policies and practices.
    - Compliance with Standards of GRAP and the PFMA requirements.
    - Significant adjustments and/or unadjusted differences resulting from the audit.
    - Reflection of unusual circumstances or events and management's explanation for the accounting treatment adopted.
    - Reasons for budget variations
    - Reasons for major year-on-year fluctuations.
    - Asset valuations and revaluations.
    - Calculation and levels of general and specific provisions.
    - Write-offs and reserve transfers.
    - The basis for the going concern assumption, including any financial sustainability risks and issues.
- Reviewed the Audit Report of the Auditor-General of South Africa;
- Reviewed the Auditor-General of South Africa's Management Report and Management's response thereto.

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

Evaluation of Annul Report

Audit Committee evaluated the final draft of the Annual Report (including the performance report) the audit committee meeting held on the 24th August 2021 and noted the achievement for the year under review and recommend it for submission.

Audit Improvement Plan for 2019/20

The Audit Committee reviewed and monitored the implementation of prior year audit findings on quarterly basis. It is the view of the Audit Committee that there is a room for improvement in this regard in so far as timeous implementation and resolving findings by the external auditors as well as addressing the root-causes relating to the weakness identified by the external auditors.

One-on-One Meeting with the Accounting Officer

The Audit Committee has met with the Accounting Officer for the Entity to address unresolved issues.

One-on-One Meeting with the Accounting Officer of the department

The Audit Committee has met with the Accounting Officer for the department to address unresolved issues.

One-on-One Meetings with the Executive Authority

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

Conclusion

The Audit Committee strongly recommends that the Entity should prioritise root-cause identification and analysis, implementation of consequence management, and regular monitoring of the audit action plans for both internal and external audit in order to improve the audit outcomes for the Entity. The Gauteng Department of Transport is further encouraged to support the Entity by ensuring that all enabling functions like IT and Risk Management provides the required services on a dynamic and efficient basis.

Furthermore, The Audit Committee is encouraged and appreciates an improvement in the communication between the Accounting Officer, the Chief Executive Officer, Senior Management, the Auditor-General of South Africa and the Internal Audit which if continued can strengthen the Corporate Governance initiatives within the Entity.



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Mr Vishnu Naicker
Chairperson of the Audit Committee
06 September 2021

2.2.11 B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE Act of 2013 and as determined by the Department of Trade and Industry. Where there has been no or only partial compliance with the criteria, The Entity should provide a discussion and also indicate the measures taken to comply.

*NOT APPLICABLE TO THE ENTITY

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?		
Developing and implementing a preferential procurement policy?		
Determining qualification criteria for the sale of state-owned enterprises?		
Developing criteria for entering into partnerships with the private sector?		
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?		

2.6. PART D: HUMAN RESOURCE MANAGEMENT


gFleet
MANAGEMENT

2.6.1. INTRODUCTION

The Entity has been focusing on ensuring that the work environment is safe and conducive for employees to perform their duties effectively and efficiently. The Entity continued to utilise the organogram approved in 2012. The process of approving the proposed Service Delivery Model, Business Case and the proposed Organisational Structure that was updated in February 2017 is not yet concluded. The Entity is implementing recruitment process as per the approved critical posts.

The Office of the Premier together with the Department of Roads and Transport are in process to review and re-align the organisational structures of the Department and the Entity. Upon finalisation of the structure, the Department will submit the proposed structure to the DPSA through the Office of the Premier. During the financial year under review, the Entity had 204 officials under its employ. The Entity's vacancy rate has increased because of resignations and officials going on pension. The Entity ensured that all courses attended by officials are Sector Education and Training Authority accredited. The Entity's focus was to train as many officials in line with the approved 2020/2021 Training Plan.

The Training Plan is based on the agreed training requirements between staff members and the supervisors in line with the Performance Management System. This approach aims to ensure that trained officials positively contribute to the productivity of the various directorates within the Entity and further gives the staff members an advantage for growth in their chosen area of expertise. The improvement for compliance with Performance Management and Development Systems is encouraging; the new changes to the format have been welcomed by most staff. Continued training on the policies and procedures of the Entity and the Department have taken place throughout the financial year.

Employee Health and Wellness Program

The fostering of good labour relations and having staff that are well-informed and nurtured by the organisation has been a priority for the Wellness and Labour Relations unit. Our staff, The Entity's capital resources' wellbeing is high on the agenda and through several activities that have been rolled out to address pertinent areas of concern regarding staff's holistic health, work environment and a good balance between their personal and work life.

The Entity continues to provide staff with a platform to be heard and to reach out for assistance through the Employee Assistant Program (EAP). There have been roadshows that keep staff informed on their responsibilities to The Entity and the responsibilities of The Entity to them. Topics such as Pension, Injury on Duty, Occupational Health and Safety, Employee Assistance, and Labour Matters are addressed at the roadshows. Health Screenings have also assisted in giving staff updated information on health matters varying form HIV/AIDs, Cancer, Alcoholism and Mental health etc.
Careways continues to be the EAP service provider used by the Gauteng Provincial Departments and through them, we have been able to refer several staff members that require assistance in several areas. Careways, a 24-hour service, provides staff and their immediate family members with confidential support and advice on health and personal issues.
As Human Resources, we will continue to put our staff in the forefront of our plans and uphold the policies of The Entity in collaboration with our staff to increase productivity and boost the morale as we strive for success in all areas of our organisation.

The Minister of Employment and Labour issued a directive in terms of Regulation 10(8) of the Regulations issued by the Minister of Cooperative Governance and Traditional Affairs in terms of Section 27 (2) of the Disaster Management Act, 2002 (Act No. 57 of 2002). The directive sets out the measures that employers are required to take to prevent the transmission of COVID-19 in the workplace.

To give effect to the above, the Department of Roads and Transport: Head of Department established the GPDRT: Steering Committee in March 2020 to monitor the provision and maintenance of the working environment that is safe and without risk to health and safety of employees, clients and visitors. The Steering Committee was tasked to identify hazards and risks that may have adverse effects to health and safety, put control measures to mitigate and eliminate identified risks, provide information and training on SHERQ management issues, provide Personal Protective Equipment (PPE) and develop Standard Operating Procedures (SOP's), conduct COVID-19 screening, testing and medical surveillance, occupational hygiene surveys and audits.

Section 2.6.1 of DPSA circular 7 of 2020 stipulates that "department must conduct a risk assessment to identify the risks of a COVID-19 outbreak in the department where provisions against COVID-19 are still inadequate and processes to immediately/urgently correct these". To respond to the directive, the departmental baseline Hazard Identification Risk Assessment (HIRA) and Enterprise-wide Strategic Risk Assessment were developed and approved by the Head of Department on the 21st April 2020 and 13th May 2020 respectively.

2.6.2 HUMAN RESOURCE OVERSIGHT STATISTICS

2.6.2.1 PERSONNEL RELATED EXPENDITURE

The following tables provide a summary of the final audited personnel-related expenditure by programme and salary bands. It indicates the following:

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

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

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services Expenditure (R'000)	Personnel Expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Office of the CEO	3 047	3 047			1%	1 016
Office of the COO	1 624	2 130				710
Office of the CFO	6 553	621				311
Financial services	14 982	14 531			2%	309
Corporate Services	43 834	10 663	0		2%	267
Marketing and Communication	11 397	10 862			2%	387
Maintenance Services	138 787	9 163			1%	286
Transport Support Services	159 674	12 241			2%	322
Permanent Service	226 013	7 201			1%	379
VIP and Pool Services	16 878	16 643			2%	326
Total	**622 789**	**87 066**	**0**	**0**	**13%**	**4 313**

Table 3.1.2 Personnel costs by salary band for the period 1 April 2020 and 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)	5 532	6%	62	89
Skilled (level 3-5)	22 286	26%	90	248
Highly skilled production (levels 6-8)	29 958	34%	73	410
Highly skilled supervision (levels 9-12)	23 221	27%	33	704
Senior and Top management (levels 13-16)	6 069	7%	5	1 214
Total	**87 066**	**100%**	***263**	**331 051**

This includes interns appointed during the financial year

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

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000	Salaries as 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
Office of the CEO	3 047	4%			17	0%	22	0%
Office of the COO	2 130	2%				0%	64	0%
Office of the CFO	621	1%			33	0%	79	0%
Financial Management	14 531	17%			359	1%	776	1%
Corporate Services	10 663	12%			414	1%	587	1%
Marketing & Communication	10 862	12%			338	0%	509	0%
Maintenance Services	9 163	11%			290	0%	682	1%
Transport Support Services	12 241	14%			386	0%	823	1%
Permanent Service	7 201	8%			212	0%	378	0%

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
VIP/POOL Services	16 643	19%	386	0%	767	1%	1 190	1%
TOTAL	**87 066**	**100%**	**386**	**0%**	**2 816**	**3%**	**5 110**	**5%**

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

Salary Bands	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)	5 532	6%	3	0%	35	0%	19	0%
Skilled (level 3-5)	22 958	27%	294	0%	1 207	1%	2 049	2%
Highly skilled production (levels 6-8)	29 958	34%	70	0%	857	1%	2 297	3%
Highly skilled supervision (levels 9-12	23 221	26%	19	0%	605	1%	659	1%
Senior management (level 13-16)	6 0691	7%	0	0%	112	0%	86	0%
Total	**87 066**	**100%**	**386**	**0**	**2 816**	**3%**	**5 110**	**6%**

2.3 EMPLOYMENT AND VACANCIES

The tables in this section summarise the position of The Entity with regards to employment and vacancies.

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

This information is presented in terms of three key variables:
- programme
- salary band
- critical occupations

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 the 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
SMS (13 to 16)	8	3	63%	0
Level 11 to 12	17	14	17%	0
Level 7 to 10	107	82	23%	0
Level 1 to 6	143	105	27%	0
TOTAL	**275**	**204**	**26%**	**0**

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)	8	3	63%	0
Skilled (3-5)	124	98	21%	0
Highly skilled production (6-8)	90	67	26%	0
Highly skilled supervision (9-12)	45	33	26%	0
Senior management (13-16)	8	3	63%	0
Total	**275**	**204**	**26%**	**0**

3.3 FILLING OF SMS POSTS

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
Salary Level 16	0	0	0%	0	0%
Salary Level 15	1	1	100%	0	0%
Salary Level 14	1	0	0%	1	100%
Salary Level 13	6	2	33%	4	67%
TOTAL	**8**	**3**	**37%**	**5**	**63%**

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
Salary Level 16	0	0	0%	0	0%
Salary Level 15	1	1	100%	0	0%
Salary Level 14	1	0	0%	1	100%
Salary Level 13	6	2	67%	3	33%
TOTAL	**8**	**3**	**63%**	**4**	**37%**

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

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels1-2)	8	0	0%	0	0%	0	0%
Skilled (Levels 3-5)	124	0	0%	0	0%	0	0%
Highly skilled production (Levels 6-8)	90	0	0%	0	0%	0	0%
Highly skilled supervision (Levels 9-12)	45	0	0%	0	0%	0	0%
Senior Management Service Band A	8	0	0%	0	0%	0	0%
Senior Management Service Band B	**0**	**0**	0%	0	0%	0	0%
Senior Management Service Band C	**0**	**0**	0%	0	0%	0	0%
Senior Management Service Band D	**0**	**0**	0%	0	0%	0	0%
Total	**275**	**0**	**0%**	**0**	**0%**	**0**	**0%**

The following table provides a summary of the number of employees whose positions were upgraded due to their post being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could 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 and 31 March 2021

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

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 and 31 March 2021

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

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

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

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

Total Number of Employees whose remuneration exceeded the grade determined by job evaluation	**0**

3.5. EMPLOYMENT CHANGES

This section provides information on changes in employment over the financial year. Turnover rates indicate trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band and critical occupations.

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

Salary Band	Number of employees at ~~beginning of period~~ April 2020	Appointments and transfers ~~into the~~ department	Terminations and transfers ~~out of the~~ department	Turnover rate
Salary Band	Number of employees at beginning of period April 2020	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	3	0	0	0%
Skilled (Levels3-5)	91	0	2	3%
Highly skilled production (Levels 6-8)	75	0	0	0%
Highly skilled supervision (Levels 9-12)	32	0	0	0%
Senior Management Service Bands A	3	0	0	0%
Senior Management Service Bands B	0	0	0	0%
Senior Management Service Bands C	0	0	0	0%
Senior Management Service Bands D	0	0	0	0%
Total	**204**	**0**	**2**	**1%**

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

Critical Occupation	Number of employees at beginning of period-April 2020	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative related, Permanent -	11	0	0	0%
All artisans in the building metal machinery etc., Permanent	7	0	1	14%
Building and other property caretakers, Permanent	1	0	0	0%
-Bus and heavy vehicle drivers, Permanent	1	0	0	0%
-Cleaners in offices workshops hospitals etc., Permanent	4	0	0	0%
Client inform clerks (switchboard/receptionist informs clerks), Permanent	2	0	0	0%
Computer programmers., Permanent	1	0	0	0%

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
Finance and economics related, Permanent	3	0	1	33%
Financial and related professionals, Permanent	2	0	0	0%
Financial clerks and credit controllers, Permanent	3	0	0	0%
Head of department/chief executive officer, Permanent	1	0	0	0%
Human resources & organisational development & relate prof, Permanent	2	0	0	0%
Human resources clerks, Permanent	4	0	0	0%
Human resources related, Permanent	8	0	0	0%
Information technology related, Permanent	1	0	0	0%
Library mail and related clerks, Permanent	2	0	0	0%
Light vehicle drivers, Permanent	14	0	2	14%
Material-recording and transport clerks, Permanent	1	0	0	0%
Messengers porters and deliverers, Permanent	2	0	0	0%
Motor vehicle drivers, Permanent	1	0	0	0%
Other administration & related clerks and organisers, Permanent	53	0	1	2%
Other administrative policy and related officers, Permanent	1	0	0	0%
Other occupations, Permanent	5	0	0	0%
Secretaries & other keyboard operating clerks, Permanent	2	0	0	0%

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
Senior managers, Permanent	3	0	1	25%
Trade labourers, Permanent	14	0	0	0
TOTAL	**148**	**0**	**6**	**4%**

Notes

The CORE classification, as prescribed by the DPSA, should be used for completion of this table.

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

Table 3.5.3 Reasons why staff left the department for the period 1 April 2020and 31 March 2021

Termination Type	Number	% of Total Resignations
Death	0	0%
Resignation	0	0%
Expiry of contract	0	0%
Dismissal – operational changes	0	0%
Dismissal – misconduct	0	0%
Dismissal – inefficiency	0	0%
Discharged due to ill-health	1	0.5%
Retirement	1	0.5%
Transfer to other Public Service Departments	0	0%
Other	**0**	**0%**
Total	**2**	**1%**
Total number of employees who left as a % of total employment	**2**	**1%**

Table 3.5.4 Promotions by critical occupation for the period 1 April 2020 and 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
Clerks	0	0	0%	0	0%
Technicians and associate professionals	0	0	0%	0	0%

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
TOTAL	0	0	0%	0	0%

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

Salary Band	Employees 1 April 2020	Promotions to another salary level	Salary 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)	3	0	0	3	100%
Skilled (Levels3-5)	91	0	0	91	100%
Highly skilled production (Levels 6-8)	75	0	0	68	93%
Highly skilled supervision (Levels 9-12)	32	0	0	30	97%
Senior Management (Level 13-16)	3	0	0	3	75%
Total	**204**	**0**	**0**	**195**	**97%**

3.6. EMPLOYMENT EQUITY

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

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	0	0	0	0	1	2	0	0	3
Professionals	17	1	0	0	8	1	1	2	30
Technicians and associate professionals	18	2	1	0	39	5	0	5	70
Clerks	58	0	0	4	32	2	1	4	101
Service and sales workers	0	0		0	0	0	0	0	0
Skilled	0	0		0	0	0	0	0	0

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
agriculture and fishery workers									
Craft and related trades workers	0	0		0	0	0	0	0	0
Plant and machine operators and assemblers	0	0		0	0	0	0	0	0
Elementary occupations	0	0		0	0	0	0	0	0
Total	93	3	1	4	80	10	2	11	204
Employees with disabilities	2	0	0	0	1	0	0	0	3

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

Occupational Band	Male				Female				
	African	Coloured	Indian	White	African	Coloured	Indian	White	Total
Top Management	0	0		0	0	0	0	0	0
Senior Management	0	0	0	0	1	2	0	0	3
Professionally qualified and experienced specialists and mid-management	17	1	0	0	8	1	1	2	30
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	18	2	1	0	39	5	0	5	70
Semi-skilled and discretionary decision making	58	0	0	4	32	2	1	4	101
Unskilled and defined decision making	0	0		0	0	0	0	0	0
Total	93	3	1	4	80	10	2	11	204

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

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

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

Occupational Band	Male				Female				
	African	Coloured	Indian	White	African	Coloured	Indian	White	Total
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0
Skilled technical and academically	0	0	0	0	0	0	0	0	0

Occupational Band	Male				Female				
	African	Coloured	Indian	White	African	Coloured	Indian	White	Total
qualified workers, junior management, supervisors, foreman and superintendents									
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0
Employees with disabilities	0	0	0	0	0	0	0	0	0

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

Occupational Band	Male				Female				
	African	Coloured	Indian	White	African	Coloured	Indian	White	Total
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0		0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	1	0	0	0	1	0	0	0	2
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	0	0	0	0	0	0	0	0	0
Total	**1**	**0**	**0**	**0**	**1**	**0**	**0**	**0**	**2**
Employees with Disabilities	0	0	0	0	0	0	0	0	0

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

Disciplinary action	Male				Female				
	African	Coloured	Indian	White	African	Coloured	Indian	White	Total
Suspension without pay	0	0	0	0	1	1	0	0	2
Dismissal	0	0	0	0	0	0	0	0	0

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

Occupational category	Male				Female				
	African	Coloured	Indian	White	African	Coloured	Indian	White	Total
Legislators, senior officials and managers	0	0	0	0	0	0	0	0	0
Professionals	0	0	0	0	0	0	0	0	0
Technicians and associate professionals	0	0	0	0	0	0	0	0	0
Clerks	0	0	0	0	0	0	0	0	0
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	0	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Employees with disabilities	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

3.7 SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS

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

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members	
Female	1	2	50%	R4500.00	R4,500.00
Coloured	**9**	**12**	**75%**	R 118,238.50	R13,137.60
Male	2	3	67%	R8500.00	R4,250.00
Female	7	9	78%	R 109,738.50	R15,676.90
White	**10**	**16**	**63%**	R 117,554.00	**R11,755.40**
Male	3	5	60%	R16,000.00	R5,333.00
Female	7	11	64%	R101,554.00	R14,507.70
TOTAL	**199**	**202**	**91%**	**R389,130.00**	**R4.500.00**
Employees with disabilities	**2**	**2**	**100%**	**R7 900.00**	**R3,950.00**

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.

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service, for the period 1 April 2020 and 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)	2	3	67%	R 7000.00	35 000	2%
Skilled (level 3-5)	57	102	93%	R 117,554.00	1237	2%
Highly skilled production (level 6-8)	23	67	90%	R 129, 331.50	2155.50	2%
Highly skilled supervision (level 9-12)	22	30	90%	R 118,238.50	4379	2%
Total	**104**	**202**	**91%**	**R 372,124.00**	**11271**	**2%**

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2020 and 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
Lower Skilled (Levels 1-2)	2	3	67%	R 7000.00	35 000
Skilled (level 3-5)	57	102	93%	R	1237
				117,554.00	
Highly skilled production (level 6-8)	23	67	90%	R 129, 331.50	2155.50
Highly skilled supervision (level 9-12)	22	30	90%	R 118,238.50	4379
Total	**104**	**202**	**91%**	**R 372,124.00**	**11271**

Notes

The CORE classification, as prescribed by the DPSA, should be used for completion of this table.

Table 3.8 4 Performance-related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2020 and 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%	R0.00	R0.00	0.00%
Band B	0	0	0.0%	R0.00	R0.00	R0.00%
Band C	0	0	0%	R0.0	R0.0	R0.00%
Band D	0	0	0.0%	R0.00	R0.00	R0.00
Total	**0**	**0**	**0%**	**R0**	**R0.0**	**R0.00%**

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 and 31 March 2021

Salary Band	01 April 2020		31 March 2021		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower Skilled	0	0%	0	0%	0	0%
Highly skilled production (Lev. 6-8)	0	0%	0	0%	0	0%
Highly skilled supervision (Lev. 9-12)	0	0%	0	0%	0	0%
Contract (Levels 9-12)	0	0%	0	0%	0	0%
Contract (Levels 13-16)	0	0%	0	0%	0	0%
Total	**0**	**0%**	**0**	**0%**	**0**	**0%**

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

Major Occupation	01 April 2020		31 March 2021		Change	
	Number	% of total	Number	% of total	Number	% Change
	0	0%	0	0%	0	0%
	0	0%	0	0%	0	0%
TOTAL	**0**	**0%**	**0**	**0%**	**0**	**0%**

3.10. LEAVE UTILISATION

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables indicate 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 Skills (Level 1-2)	12	5%	2	1%	6.00	R422
Skilled (levels 3-5)	175	67%	37	18%	5.00	R15,540
Highly skilled production (levels 6-8)	240	55%	44	21%	5.00	R8,820
Highly skilled supervision (levels 9 -12)	47	49%	19	9%	2.00	R3,780
Top and Senior management (levels 13-16)	17	23%	3	1%	6.00	R422

Salary Band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Total	444	199%	105	50%	4.00	R28,984

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 Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	0	0%	0	0%	0	R0.00
Skilled (Levels 3-5)	103	0%	1	1%	0.5	R43,260
Highly skilled production (Levels 6-8)	0	0%	0	0%	0	R0.00
Highly skilled supervision (Levels 9-12)	0	0%	0	0%	0	R0.00
Senior management (Levels 13-16)	0	0%	0	0%	0	R0.00
Total	1	0%	1	1%	0.5	R43,260

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)	33	3	11.00
Skilled Levels 3-5)	1300	107	12.00
Highly skilled production (Levels 6-8)	890	65	14.00
Highly skilled supervision (Levels 9-12)	655	31	21.00
Senior management (Levels 13-16)	89	4	22.00
Total	**2967**	***210**	**14.00**

**** This includes interns***

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 at 31 March
Lower skilled (Levels 1-2)	0	0	0	
Skilled Levels (3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0
Total	0	**0**	**0**	**0**

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

Table 3.10.5 Leave pay-outs for the period 1 April 2020 and 31 March 2021

Reason	Total Amount (R'000)	Number of Employees	Average per employee (R'000)
Leave pay-out for 2019/20 due to non-utilisation of leave for the previous cycle	R0.00	0	R0.00
Capped leave pay-outs on termination of service for 2019/20	R64,375.72	1	R32,187.86
Current leave pay-out on termination of service for 2019/20	R90,267.54	1	R30,089.18
Total	R154,643.26	2	R30,928.65

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
None	None

Table 3.11. 2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.		X	
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.	X		The Department has appointed SHE reps and Health and Wellness coordinator who are involved in most cases of health promotion.
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.	X		Staff members have been trained on a Zinakekele programme as well as Careways service provider which assist in terms of EAP
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.		X	
5. Has the Department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees based on their HIV status? If so, list the employment policies/practices so reviewed.		X	
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.	X		Employee Health and Wellness Labour Relations Unit Public Awareness HIV Policy in place
7. Does the Department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	X		The Officials attends Health screening that is arranged for them through wellness Centre and the achievement is obtained through awareness programs, participation.
8. Has the Department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	X		

3.12. LABOUR RELATIONS

Table 3.121 Collective agreements for the period 1 April 2019 and 31 March 2020

Subject Matter	Date
0	0
0	0

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

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2020 and 31 March 2021

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	
Verbal warning	0	
Written warning	0	
Final written warning	2	0.5%
Suspended without pay	2	0.5%
Fine	0	
Demotion	0	
Dismissal	0	
Not guilty	0	
Case withdrew	0	
TOTAL	**4**	**1%**

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

Type of misconduct (based on annexure A)	Number	% of total
Abscondment from work	1	0.4%
TOTAL	**1**	**0.4%**

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

Grievances	Number	% of Total
Number of grievances resolved	2	0.5%
Number of grievances not resolved	0	
Total of grievances not lodged	**2**	**0.5%**

Table 3.12.5 Disputes lodged with Councils for the period 1 April 2020 and 31 March 2021

Grievances	Number	% of Total
Number of disputes upheld	1	0.4%
Number of disputes dismissed	0	
Total number of disputes lodged	1	0.4%

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

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

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

Number of people suspended	2
Number of people whose suspension exceeded 30 days	2
Average number of days suspended	
Cost (R'000) of suspension	0

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 and 31 March 2021

Occupational Category	Gender	Number of employees as of 1 April 2019	Training needs to be identified at the start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	3	0	0	0	0
	Male	0	0	0	0	0
Professionals	Female	14	0	0	0	0
	Male	18	0	0	0	0
Technicians and associate professionals	Female	43	0	8	0	8
	Male	22	0	0	0	0
Clerks	Female	38	0	0	0	0
	Male	65	0	0	0	0
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary	Female	0	0	0	0	0
occupations	Male	0	0	0	0	0
Sub-Total		0	0	0	0	0
	Male	0	0	0	0	0
Total	204	**0**	**0**	**0**	**0**	**204**

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

Occupational Category	Gender	Number of employees as of 1 April 2019	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	3	0	0	0	0
	Male	0	0	0	0	0
Professionals	Female	14	0	0	0	0
	Male	18	0	0	0	0
Technicians and associate professionals	Female	43	0	8	0	8
	Male	22	0	0	0	0
Clerks	Female	38	0	0	0	0
	Male	65	0	0	0	0
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	0	0	0	0	0
	Male	0	0	0	0	0
Sub Total	Female	0	0	0	0	0
	Male	0	0	0	0	0
Total		**0**	**0**	**0**	**0**	**204**

3.14. INJURY ON DUTY

The following tables provide basic information for injury on duty.

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

Nature of injury on duty	Number	% of total
Required basic medical attention only	1	0.5%
Temporary Total Disablement	0	0%
Permanent Disablement	0	0%
Fatal	0	0%
Total	**1**	**0.5%**

3.15. UTILISATION OF CONSULTANT

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2020 and 31 March 2021

Project Title	Total Number of consultants that worked on the project	Duration (Workdays)	Contract value in Rand
0	0	0	0

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

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
0	0	0	0
0	0	0	0

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

Project Title	Total Number of consultants that worked on the project	Duration (Workdays)	Donor and Contract value in Rand
0	**0**	**0**	**0**
0	**0**	**0**	**0**

Total number of projects	Total individual consultants	Total duration (Workdays)	Total contract value in Rand
0	**0**	**0**	**0**
0	**0**	**0**	**0**

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

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
0	0	0	0
0	0	0	0

3.16. SEVERANCE PACKAGES

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

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

2.7. PART E: FINANCIAL INFORMATION

2.7.1 REPORT OF THE AUDITOR GENERAL OF SOUTH AFRICA

Report of the auditor-general to the Gauteng Provincial Legislature on g-FleeT Management

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of g-FleeT Management set out on pages 461 to 495, which comprise the 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, except for the possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of g-FleeT Management as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for qualified opinion

Property, plant and equipment

Assets under construction: work in progress

3. I was unable to obtain sufficient appropriate audit evidence for the amounts disclosed as assets under construction: work in progress, as there was no adequate system of internal control to substantiate the work in progress. I was unable to confirm the value of work in progress by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to work in progress stated at R88 593 302 in note 5 to the financial statements.

Motor vehicles

4. The trading entity did not derecognise motor vehicles classified as awaiting disposal at year-end in accordance with the requirements of GRAP 17, *Property, plant and equipment*. The trading entity classified motor vehicles awaiting disposal as property plant and equipment measured at cost less any accumulated depreciation and accumulated impairment losses instead of classifying motor vehicles awaiting disposal as inventories measured at the lower of cost and net realisable value. Consequently, motor vehicles is overstated by R63 297 372 in the financial statements and inventories is understated. I was unable to determine the full extent of the understatement of inventories as it was impracticable to do so. Additionally, there was an impact on the surplus for the period.

Context for the opinion

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

6. I am independent of the trading entity 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.

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

Emphasis of matter

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

Restatement of corresponding figures

9. As disclosed in note 3 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 trading entity at, and for the year ended, 31 March 2021.

Responsibilities of the accounting officer for the financial statements

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

11. In preparing the financial statements, the accounting officer is responsible for assessing the trading entity'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 trading entity or to cease operations, or has no realistic alternative but to do so.

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

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

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

Report on the audit of the annual performance report

Introduction and scope

14. 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 the selected programme presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

15. My procedures address the usefulness and reliability of the reported performance information, which must be based on the trading entity'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 trading entity 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.

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

Programmes	Pages in the annual performance report
Programme 2: corporate and financial management	387-392

17. 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.

18. The material finding on the usefulness and reliability of the performance information of the selected programme is as follows:

Programme 2: corporate and financial management

Minimum of 30% of procurement spent on goods and services, and construction allocated to township businesses

19. I was unable to obtain sufficient appropriate audit evidence that clearly defined the predetermined source information and method of collection established to enable consistent measurement and reliable reporting of the actual achievement for the indicator. This was due to insufficient measurement definitions and processes. I was unable to test whether the indicator was well-defined and verifiable by alternative means. As a result, I was unable to audit the reliability of the achievement of 48% per cent reported against the 30% target in the annual performance report.

Other matters

20. I draw attention to the matters below.

Achievement of planned targets

21. Refer to the annual performance report on pages 381 to 392 for information on the achievement of planned targets for the year and management's explanations provided for the under/over-achievement of targets. This information should be considered in the context of the material finding on the usefulness of the reported performance information in paragraph 19 of this report.

Adjustment of material misstatements

22. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of the corporate and financial management programme. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

Report on the audit of compliance with legislation

Introduction and scope

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

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

Annual financial statements

25. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework, as required by section 40(1)(a) of the PFMA.

26. Material misstatements identified by the auditors in the submitted financial statements were not adequately corrected, which resulted in the financial statements receiving a qualified opinion.

Expenditure management

27. Payments were not made within 30 days or an agreed period after receipt of an invoice, as required by treasury regulation 8.2.3.

Other information

28. 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.

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

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

31. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, and 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

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

33. The accounting officer did not take the necessary steps to implement effective oversight regarding adequate systems of internal control for performance information reporting and the monitoring of compliance with laws and regulations.

34. The action plans developed to address the internal and external audit findings were not implemented fully, as instances of repeat findings were identified.

35. Senior management did not always implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information was accessible and available to support performance reporting.

36. The accounting officer did not always ensure that controls over reconciliations as well as daily and monthly processing of transactions were implemented effectively for performance reporting.

Auditor-General.

Johannesburg

15 August 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 trading entity'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 trading entity'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 trading entity 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 trading entity to cease operating as a going concern
   - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication with those charged with governance

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

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



g-FleeT Management
Annual Financial Statements
for the year ended 31 March 2021



g-FleeT Management

Trading as g-FleeT Management
Annual Financial Statements for the year ended 31 March 2021

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The reports and statements set out below comprise the annual financial statements presented to the provincial legislature:

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Statement of Financial Position as at 31 March 2021

	Note(s)	2021 R '000	2020 Restated* R '000
Assets			
Current Assets			
Inventories	4	25 659	33 455
Finance lease receivables	7	5 239	6 063
Receivables from exchange transactions	8	197 981	197 097
Prepayments	9	6 395	1 941
Other Receivables	31	85	148
Cash and cash equivalents	10	1 778 815	1 497 680
		2 014 174	**1 736 384**
Non-Current Assets			
Property, plant and equipment	5	1 378 228	1 324 439
Intangible assets	6	1 260	1 507
Finance lease receivables	7	12 432	14 497
Rental deposit	29	6	6
		1 391 926	**1 340 449**
Total Assets		**3 406 100**	**3 076 833**
Liabilities			
Current Liabilities			
Finance lease obligation	11	22	64
Payables from exchange transactions	13	77 492	90 910
Other Payables	14	13 515	9 564
		91 029	**100 538**
Non-Current Liabilities			
Finance lease obligation	11	14 641	14 641
Long-term leave accrual	12	2 967	3 009
		17 608	**17 650**
Total Liabilities		**108 637**	**118 188**
Net Assets		**3 297 463**	**2 958 645**
Accumulated surplus		3 297 464	2 958 646

Statement of Financial Performance for the year ended 31 March 2021

	Note(s)	2021 R '000	2020 Restated* R '000
Revenue			
Revenue from exchange transactions			
Revenue from auction of vehicles	30	71 468	160 765
Revenue from leases	15	824 683	851 342
Realisation of property lease liability	18	1 200	1 200
Debt impairment reversal	16	8 842	-
Other income	32	1 983	2 107
Interest received	17	34 372	68 934
Total revenue from exchange transactions		**942 548**	**1 084 348**
Expenditure			
Employee related costs	19	(89 988)	(90 113)
Depreciation and amortisation	37	(124 884)	(129 503)
Impairment loss	5	(10 071)	-
Finance costs	33	(1 509)	(1 220)
Repairs and maintenance	35	(115 525)	(107 336)
Cost of sales	34	(74 709)	(214 213)
General expenses	20	(187 042)	(256 355)
Total expenditure		**(603 728)**	**(798 740)**
Surplus for the year		**338 820**	**285 608**

Statement of Changes in Net Assets as at 31 March 2021

	Accumulated surplus R '000
Balance at 01 April 2019	**2 673 038**
Changes in net assets	
Surplus for the year	285 608
Total changes	285 608
Restated* Balance at 01 April 2020	**2 958 644**
Changes in net assets	
Surplus for the year	338 820
Total changes	338 820
Balance at 31 March 2021	**3 297 464**

Note(s)

Cash Flow Statement for the year ended 31 March 2021

	Note(s)	2021 R '000	2020 Restated* R '000
Cash flows from operating activities			
Receipts			
Revenue from Leases		836 827	884 718
Interest		30 244	62 389
Auction of vehicles		66 718	151 438
Transport fees		1 890	2 012
		935 679	1 100 557
Payments			
Employee costs		(90 691)	(89 163)
Suppliers		(299 626)	(302 488)
		(390 317)	(391 651)
Net cash flows from operating activities	21	**545 362**	**708 906**
Cash flows from investing activities			
Purchase of property, plant and equipment	5	(265 109)	(268 840)
Proceeds from sale of finance lease receivables		2 128	6 006
Net cash flows from investing activities		**(262 981)**	**(262 834)**
Cash flows from financing activities			
Capital repayment of finance lease		(42)	(264)
Interest repayment of finance lease		(1 204)	(1 220)
Net cash flows from financing activities		**(1 246)**	**(1 484)**
Net increase/(decrease) in cash and cash equivalents		**281 135**	**444 588**
Cash and cash equivalents at the beginning of the year		1 497 680	1 053 092
Cash and cash equivalents at the end of the year	10	**1 778 815**	**1 497 680**

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Accounting Policies

1. Background

g-FleeT is a provincial Trading Entity, which reports to the Accounting Officer of the Gauteng Department of Roads and Transport, its controlling entity. The mandate of the entity is to be the leading provider of fleet management services within government. The Entity is incorporated and operates in the Republic of South Africa.

The financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board (ASB) in accordance with Section 40(1) of the Public Finance Management Act, 1, 1999 (PFMA). These financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these financial statements, are disclosed below.

1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the entity, unless stated otherwise the financial statement amounts are rounded to the nearest thousand.

1.2 Going concern assumption

Management is not aware of any matters or circumstances arising since the end of the financial year that were otherwise not dealt with in the Financial Statements, which significantly affect the financial position of the Entity or the results of its operations. These Financial Statements have been prepared based on the expectation that the Entity will continue to operate as a going concern for at least the next 12 months.

1.3 Offsetting

Assets, liabilities, revenues and expenses have not been offset except when offsetting is required or permitted by a standard of GRAP

1.4 Significant judgements and sources of estimation uncertainty

Management has made the following accounting estimates which have the most significant effect on the amounts recognised in the financial statements:

Impairment testing

The entity reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible and intangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including trade values and retail values together with economic factors such as interest rates.

Provisions

Provisions are reviewed at reporting date and the amount of a provision is the present value of the expenditure expected to the required to settle the obligation.

Segment reporting (GRAP 18)

Significant judgement is used in identifying service and geographical segments of the g-FleeT Management.

Impairment of Trade and other receivables

The Entity makes provision for doubtful debts relating to all long outstanding debts from customers. In determining the value of doubtful debts, the Entity estimates future expected cash flows arising from those receivables which, in its judgement, are impaired.

Accounting Policies

Useful lives and residual values of property, plant and equipment (PPE)

Reassessments of useful lives and residual values are performed annually after considering factors such as the condition of the asset, maintenance programmes, and relevant market information, and manner of recovery. In re-assessing residual values, the Entity considers the remaining life of the asset and its projected disposal value.

Classification of leases

The Entity has entered into lease agreements acting as both a lessor and lessee. The Entity uses judgement to determine, based on the evaluation of the terms and conditions of lease agreements, the appropriate treatment of the leases as either finance leases or operating leases.

Contingent liabilities

The existence of the obligation arising from legal claims against the Entity may only be determined through the outcome of legal proceedings. Management applies its judgement in determining whether a present obligation exists, and therefore whether these claims should be recognised as provisions or disclosed as contingent liabilities.

Cash- and non-cash generating assets

Management has applied its judgement in determining that all the entity's assets are cash generating. The entity is required to sustain itself financially and all assets are employed in generating enough profit and cash flow to remain self-sustained.

Accounting Policies

1.5 Property, plant and equipment

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

Item	Depreciation method	Useful life
Machinery and tools	Straight line	5 Years
Furniture and office equipment	Straight line	5 - 25 years
Motor vehicles	Straight line	
Computer equipment	Straight line	3 - 6 years
Leasehold improvements	Straight line	20 - 30 years
Leased assets	Straight line	Lease term
Assets under construction	Straight line	Not depreciated

The gains or losses arising from derecognition are determined as the difference between the carrying amount and the proceeds from disposal.

1.6 Intangible assets

Intangible assets are shown at cost less accumulated amortisation and impairment losses. Amortisation is charged on a straight-line basis over the intangible asset's useful life, which is estimated to be between 2 - 9 years.

The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between the carrying amount and the proceeds from disposal.

1.7 Segment Reporting

GRAP 18.20 states that an entity shall disclose the following general information: (a) factors used to identify the entity's reportable segments, including the basis of organisation (for example, whether management has chosen to organise the entity around differences in goods and/or services, geographical areas, regulatory environments, or a combination of factors); (b) whether segments have been aggregated and the basis of the aggregation; and (c) types of goods and/or services delivered by each segment.

Accounting Policies

1.8 Financial instruments

The Entity has the following types of financial assets:
- Receivables from exchange transactions
- Cash and cash equivalents
- Finance lease receiveable

The Entity has the following types of financial liabilities:
- Payables from exchange transactions
- Finance lease obligation

The financial assets and liabilities of the Entity have all been classified as carried at amortised cost.

Trade and other receivables from exchange transactions

Trade and other receivables are stated at amortised cost using the effective interest rate method, less a provision for impairment.

Cash and cash equivalents

Cash and cash equivalents are stated at armotised cost using the effective interest rate method. For purposes of the cash flow statemen cash and cash equivalents comprise cash at banks and short-term deposits.

Trade and other payables

Trade and other payables are stated at amortised cost using the effective interest rate method

Carrying amount is the amount at which an asset is recognised in the statement of financial position.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means

The transaction amount (for purposes of this Standard) for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means

1.9 Leases

Finance leases - lessor

Amounts due from lessees under finance leases are recorded as receivables at commencement of the lease, and measured at the amount of Entity's net investment in the leases.

The Entity recognises gains or losses arising from the sale in terms of the finance lease at inception of the lease. The gain or loss is determined by the difference between the net investment in the lease and the carrying value of the vehicle. The gain or loss is included in surplus or deficit.

During the lease term, finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Entity's net investment outstanding in respect of the leases. The accounting policy for impairment of trade and other receivables is also applied to impairment of the net investment in lease receivable.

The accounting policy for derecognition of trade and other receivables is also applied to derecognition of the net investment in lease receivable. At the end of the lease term, the Entity recognises the unguaranteed residual value of the leased vehicle as part of property plant and equipment. If at the end of the lease term the lessee is still in possession of the leased vehicle, the lease is then accounted for as month-to-month lease contract.

Accounting Policies

1.9 Statutory receivables (continued)

Finance leases - lessee

Where the Entity enters into a finance lease, assets subject to finance lease agreements are capitalised at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. Subsequent to initial recognition, the leased assets are accounted for in accordance with the stated accounting policies applicable to property, plant, equipment.

Corresponding liabilities are included in the Statement of Financial Position as finance lease liabilities. Lease payments are allocated between the lease finance cost and the capital repayment. The finance charge is allocated to each period during the lease term so as to achieve a constant rate of interest on the outstanding liability. The accounting policy for derecognition of trade and other payables is also applied to derecognition of the finance lease payable.

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term. The Entity does not include lease rental escalation clauses in the agreements.

1.10 Inventories

Inventory is measured at the lower of cost or net realisable value for inventories sold.

1.11 Impairment of cash-generating assets

The Entity assesses at each reporting date whether there is an indication that assets may be impaired. If any indication exist, or when annual impairment testing for assets is required, the Entity estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of its fair value less costs of disposal and its value in use and is determined for the individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets. In determining fair value less costs of disposal, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The reversal of the loss is recognised as part of the surplus or deficit in the Statement of Financial Position.

1.12 Employee benefits

Short-term employee benefits

The Entity recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for service.

The Entity measures the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Entity measures the expected cost of bonus, incentive and performance related payments at the best estimate of the present value of future cash flows.

1.13 Commitments

Commitments are disclosed for contracts that are entered into before the reporting date, but goods and services have not yet been received.

1.14 Revenue from exchange transactions

Accounting Policies

1.14 Revenue from exchange transactions (continued)

Revenue from auction of vehicles

Revenue is measured at the price determined on auction.

Kilometre tariffs

Revenue from excess kilometres (kilometres in excess of the contracted kilometres) is charged as the excess kilometre are travelled.

Income from other services relating to leases

For lease arrangements, a portion of the payments made by clients are for providing services ancillary to the lease, such as administration and tracking the vehicle. These payments are recognised on a straight-line basis over the term of the lease.

Transport services to government employees

The entity earns revenue from providing transport services to government employees from other Government Departments impacted by the relocation of Provincial Governments from Pretoria to Johannesburg after the 1994 elections. Transport service revenue is recognised once a trip is completed.

Interest

Interest from bank accounts is recognised using the effective interest method.

Interest on finance lease receivables is recognised from commencement of the lease until the finance lease is settled, based on the interest rate implicit in the lease as determined at inception of the lease.

Recoveries from clients

Toll, fuel, oil, accident and traffic fine revenue is a direct charge and recoverable from the clients. This revenue is recognised when the client incurs the cost.

Income Tax

In terms of Income tax Act No.58 of 1962, Section 10 Exemptions, subsection 1 " There shall be exempt from the tax (a) the receipts and accruals of the Government, any provincial administration or of any other state "

1.15 Finance costs

Finance costs are measured using the effective interest rate method.

1.16 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance. Fruitless and wasteful expenditure is also disclosed in the notes to the financial statements.

1.17 Irregular expenditure

Irregular expenditure as defined in section 1 of the PFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including -

(a) this Act; or
(b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
(c) any provincial legislation providing for procurement procedures in that provincial government.

Accounting Policies

1.17 Irregular expenditure (continued)

Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as an expense or a assets in the period it occurred and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance. Irregular expenditure is recorded in the notes to the Financial Statements when confirmed. The amount recorded is equal to the total value of the irregularity unless it is impracticable to determine in which case reasons therefore is provided in the note. Irregular expenditure is disclosed in the notes to the financial statements and removed from the note when it is either condoned by the relevant authority or transferred to receivables for recovery.

1.18 Related parties

Related party relationships where control exists are disclosed regardless of whether any transactions took place between the parties during the reporting period.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

1.19 Standards of GRAP approved but not required to be applied by the entity

Standard/Interpretation:	Legislatures and trading entities	Effective date: Years beginning on or after	Expected Impact:
GRAP 108	Statutory Receivables	1 April 2019	Unlikely there will be a material impact
GRAP 109	Accounting by Principals and Agents	1 April 2019	Unlikely there will be a material impact

Notes to the Annual Financial Statements

	2021 R '000	2020 Restated* R '000

2. Change in Estimate

During the period under review the estimated useful lives of 412 Motor Vehicles were increased from 7 years to 8 years for the passenger vehicles (328) and from 11 years to 12 years for commercial vehicles (84).

Depreciation expense for the year	Depreciation on original estimate	Depreciation on revised estimate	Impact of change in estimate
Motor Vehicles - Passenger	2 404	1 202	(1 202)
Motor Vehicles - Commercial	210	105	(105)
	2 614	**1 307**	**(1 307)**

Notes to the Annual Financial Statements

	2021 R '000	2020 Restated* R '000

3. Correction of Prior Period Error

The following prior period errors were identified during the year

Error 1: General expenses accounts was understated and maintanane and repairs accounts was overstated.

Incorrect processing of repairs and maintanance and general expenses journal entries

During 2020/21, audit findings were raised with respect to repairs and maintanance and general expenses. The repairs and maintanance accounts were overstated and general expenses accounts were understated. The accounts that were affected are fuel & oil, toll fees (e-tags), transaction cost, car wash, spares & accessories, repairs & maintenance, towing and tyres.

Statement of financial performance		
Decrease General expenses	-	(8 060)
Increase Maintanance and repairs	-	8 060
	-	-

Error 2: A vehicle was not transferred back to PPE register after the finance lease contract ended

During 2020/21, audit findings were raised with respect to the accounting for motor vehicles. Work was performed in order to correct the fixed asset register, but some errors were made when recording motor vehicles into motor vehicle register and in presenting the Property, plant and equipment note.

Statement of financial position: Non-current assets		
Increase in Property, Plant and Equipment	-	629
Decrease in Finance Lease Receivable	-	(629)
	-	-

Error 3: A vehicle was captured twice in the asset register in the prior year 2019/2020 financial year period in the Property, Plant and Equipment Register

During 2020/21, audit findings were raised with respect to the accounting for motor vehicles. Work was performed in order to correct the fixed asset register, but some errors were made when recording motor vehicles into motor vehicle register and in presenting the Property, plant and equipment note.

Statement of financial position: Non-current assets		
Decrease in Accumulated Depreciation	-	43
Decrease in Property, Plant and Equipment	-	(498)
	-	**(455)**

Statement of financial performance		
Increase in Cost of Sales	-	455

Error 4: Stolen vehicles removed from the asset register 2019/2020 financial year period in the Property, Plant and Equipement register

During 2020/21, audit findings were raised with respect to the accounting for motor vehicles. Work was performed in order to correct the fixed asset register, but some errors were made when recording motor vehicles into motor vehicle register and in presenting the Property, plant and equipment note.

Statement of financial position: Non-current assets	
Decrease in Accumulated Depreciation	1 542
Decrease in Property, Plant and Equipment	(4 332)

Notes to the Annual Financial Statements

	2021 R '000	2020 Restated* R '000
		(2 790)
Statement of financial performance		
Increase in Theft and Losses	-	2 790

Error 5: Sold vehicles removed from the asset register 2019/2020 financial year period in the Property, Plant and Equipement register

During 2020/21, audit findings were raised with respect to the accounting for motor vehicles. Work was performed in order to correct the fixed asset register, but some errors were made when recording motor vehicles into motor vehicle register and in presenting the Property, plant and equipment note.

Statement of financial position: Non-current assets		
Decrease in Accumulated Depreciation	-	753
Decrease in Property, Plant and Equipment	-	(3 459)
	-	**(2 706)**
Statement of financial performance		
Increase in Cost of Sales	-	2 706

Error 6: Accounting for Principal and Agent revenue from auction

During 2020/21, audit findings were raised with respect to the relationship between G-fleet and TIRHANI AUCTIONEERS forms part principal-agent arrangement as TIRHANI AUCTIONEERS auctions vehicles on behalf of G-Fleet to third party for G-Fleets benefit, G-Fleet is the principal and TIRHANI AUCTIONEERS is an agent in the arrangement.

Statement of financial performance		
Increase in Cost of Sales	-	9 327
Increase in Revenue Auction	-	(9 327)
	-	**-**

4. Inventories

Vehicles held for sale	27 417	35 469
	27 417	35 469
Inventories (write-downs)	(1 758)	(2 014)
	25 659	**33 455**
Carrying value of inventories carried at fair value less costs to sell	149	322
Inventories recognised as an expense	74 709	214 213
Any write-down of inventories recognised as an expense	699	1 671

Notes to the Annual Financial Statements

Figures in Rand thousand

5. Property, plant and equipment

	31 March 2021			31 March 2020		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Machinery and Tools	93	(93)	-	93	(93)	-
Furniture and fixtures	22 568	(10 535)	12 033	18 920	(8 797)	10 123
Motor vehicles	1 673 385	(442 347)	1 231 038	1 559 301	(370 894)	1 188 407
Leasehold improvements	158 458	(35 829)	122 629	136 848	(23 641)	113 207
Leased Property	14 647	(2 219)	12 428	14 647	(2 071)	12 576
Leased machinery and cellphones	15 018	(14 918)	100	14 985	(14 859)	126
Total	**1 884 169**	**(505 941)**	**1 378 228**	**1 744 794**	**(420 355)**	**1 324 439**

Reconciliation of property, plant and equipment - 31 March 2021

	Opening balance	Additions	Sold vehicles	Transfers (to)/from inventory	Vehicle losses	Depreciation	Impairment loss	Total
Furniture and fixtures	10 123	3 648	-	-	-	(1 738)	-	12 033
Motor vehicles	1 188 407	230 246	(187)	(63 272)	(3 582)	(119 614)	(960)	1 231 038
Leasehold improvements	113 207	21 610	-	-	-	(3 077)	(9 111)	122 629
Leased Property	12 576	-	-	-	-	(148)	-	12 428
Leased machinery and cellphones	126	33	-	-	-	(59)	-	100
	1 324 439	**255 537**	**(187)**	**(63 272)**	**(3 582)**	**(124 636)**	**(10 071)**	**1 378 228**

Notes to the Annual Financial Statements

Figures in Rand thousand

5. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 31 March 2020

	Opening balance	Additions	Tranfer to other institutions	Disposal on finance lease arrangement	Transfers (to)/from inventory	Vehicle losses	Depreciation	Total
Machinery and Tools	30	-	-	-	-	-	(30)	-
Furniture and fixtures	10 590	1 106	-	-	-	-	(1 573)	10 123
Motor vehicles	1 313 699	227 154	(455)	(2 019)	(220 261)	(5 352)	(124 359)	1 188 407
Leasehold improvements	110 210	6 081	-	-	-	-	(3 084)	113 207
Leased Property	12 724	-	-	-	-	-	(148)	12 576
Leased machinery and cellphones	180	52	-	-	-	-	(106)	126
	1 447 433	**234 393**	**(455)**	**(2 019)**	**(220 261)**	**(5 352)**	**(129 300)**	**1 324 439**

Pledged as security

The entity does not have any assets held as security, surety or pledge.

Assets under construction -WIP

The total accumulated expense recognised for assets under construction relates to buildings.

Construction of assets with a carrying value of R 88 593 302 (2020: R 72 857 111) was halted. An impairment was recognised as follows: 2021: R 9 110 674,55 : (2015: R 5 270 691). A service provider has been appointed to finalise the work, the project is implemented through Gauteng Department of Infrastructure. Construction of assets consists of Furniture and Fixtures amounting to R 3 060 287.41 and Leasehold improvement (Building) amounting to R 85 533 014.90.

Notes to the Annual Financial Statements

Figures in Rand thousand

6. Intangible assets

	31 March 2021			31 March 2020		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	2 737	(1 477)	1 260	2 737	(1 230)	1 507

Reconciliation of intangible assets - 31 March 2021

	Opening balance	Amortisation	Total
Computer software	1 507	(247)	1 260

Reconciliation of intangible assets - 31 March 2020

	Opening balance	Amortisation	Total
Computer software	1 755	(248)	1 507

Notes to the Annual Financial Statements

	2021 R '000	2020 Restated* R '000
7. Finance lease receivables		
Gross investment in the lease due		
- within one year	11 391	14 972
- in second to fifth year inclusive	20 231	26 153
	31 622	41 125
less: Unearned finance revenue	(8 399)	(14 384)
Present value of minimum lease payments receivable	23 223	26 741
less: allowance for uncollectible minimum lease payments	(5 552)	(5 552)
	17 671	**21 189**
Present value of minimum lease payments due		
- within one year	5 239	6 692
- in second to fifth year inclusive	12 432	14 497
	17 671	**21 189**

The entity entered into finance leasing arrangements for certain of its motor vehicles.

The average lease terms are 4.5 years and the average effective lending rate was 3%.

None of the finance lease receivables have been pledged as security for liabilities or contingent liabilities.

Finance lease receivables impaired

Reconciliation of provision for impairment of class 1 (eg Local finance lease receivables)		
Opening balance	5 552	5 552

Notes to the Annual Financial Statements

	2021 R '000	2020 Restated* R '000

8. Receivables from exchange transactions

Trade receivables	193 294	192 846
Other receivables - Revenue from auction of vehicles	2	2
Other debtors - Traffic fines and accident claims	4 685	4 249
	197 981	**197 097**

Balance as at 31 March 2021	Gross Balance	Impairment provision	Net balance
Trade Receivables	162 182	(7 773)	154 409
Other receivables - Revenue from auction of vehicles	2	-	2
Other debtors - Traffic fines and accident claims	4 685	-	4 685
Other debtors	38 885	-	38 885
	205 754	**(7 773)**	**197 981**

Balances as at 31 March 2020:	Gross Balance	Impairment provision	Net balance
Trade Receivables	181 457	(16 615)	164 842
Other debtors - Traffic fines and accident claims	19 708	(15 459)	4 249
Other debtors	28 006	-	28 006
	229 171	**(32 074)**	**197 097**

g-FleeT's fundamental objective (and mandate) is focused toward servicing all Government Departments within South Africa. As a result all receivables are due from Provincial and National Departments, including Public Entities and Municipalities respectively.

Trade and other receivables past due but not impaired

The ageing of amounts past due but not impaired is as follows:

31 to 60 days	54 087	19 780
61 to 90 days	7 702	8 262
91 to 120 days	7 476	9 549
Greater than 120 days	20 918	69 138
	90 183	**106 729**

Reconciliation of provision for impairment of trade and other receivables from exchange transactions

Opening balance	(16 615)	(41 604)
Changes to the Statement of Financial Performance	(18 995)	24 989
	(35 610)	**(16 615)**

9. Prepayments

During the current period the entity made prepayments to Gauteng Department of Roads and Transport relating to registration of vehicles and renewal of vehicle licenses, and to Sanral for e-toll costs.

Prepayments	6 395	1 941

Notes to the Annual Financial Statements

	2021 R '000	2020 Restated* R '000

10. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	22	22
Bank balances	1 778 793	1 497 658
	1 778 815	**1 497 680**

8.1 Bank Accounts

Primary bank Account - First National Bank

First National Bank Account		
Bank Statement balance at the end of the year	1 157 101	899 269

South African Reserve Bank

SARB Account		
Bank Statement balance at the end of the year	621 693	598 390

Notes to the Annual Financial Statements

	2021 R '000	2020 Restated* R '000

11. Finance lease obligation

Non-current liabilities	14 641	14 641
Current liabilities	22	64
	14 663	**14 705**

As at 31 March 2021	Minimum lease payments	Future finance charges	Present value of minimum lease payments
Within One Year	1 222	(1 201)	21
Within Two To Five Years	4 908	(4 893)	15
Later Than Five Years	93 600	(78 973)	14 627
Subtotal	99 730	(85 067)	14 663
Less: Amount Due Within One Year	(1 222)	1 201	(21)
	98 508	**(83 866)**	**14 642**

As at 31 March 2020	Minimum lease payments	Future finance charges	Present value of minimum lease payments
Within One Year	1 266	(1 202)	64
Within Two To Five Years	4 804	(4 794)	10
Later Than Five Years	96 000	(81 369)	14 631
Subtotal	102 070	(87 365)	14 705
Less: Amount Due Within One Year	(1 266)	1 202	(64)
	100 804	**(86 163)**	**14 641**

The lease periods of agreements entered into by g-FleeT in the capacity as a lessee ranges from 2 to 99 years. Interest rates vary per lease agreement. The finance lease obligations, are secured by finance lease assets included in Property, Plant and Equipment.

The average lease term is 34.6 years and the average effective borrowing rate was 8% relating to long term finance lease obligation and 10.5% relating to short term finance lease obligation.

The entity's obligations under finance leases are secured by the lessor's charge over the leased assets. Refer to Note 3

12. Long-term leave accrual

The long-term leave accrual represents the amounts of capped leave still due to employees who have not yet resigned or retired.

Opening balance	3 009	3 068
Changes to the Statement of Financial Performance	(42)	(59)
	2 967	**3 009**

13. Payables from exchange transactions

Trade payables	77 492	90 910

Notes to the Annual Financial Statements

	2021 R '000	2020 Restated* R '000

14. Other payables

Salary Payable	1 136	34
Performance bonus accrual	461	813
Debtors with credit balances	2 982	2 826
Leave pay accrual	6 553	3 598
Service bonus accrual	2 383	2 293
	13 515	**9 564**

Performance bonus accrual
Accruals were raised for performance bonusses that are due within the next 12 months.

Leave pay accrual
In terms of the Determination on Leave of Absence in the Public Service employees are entitled to annual leave with full pay during each leave cycle of 12 months, commencing on 1 January of each year. The remaining leave days, if any, must be taken no later than 6 months after the expiry of the relevant leave cycle, where after unused leave credits shall be forfeited.

Service bonus and long service award accrual
Accruals were raised for service bonus (13th cheque) and long service award which are due within the next 12 months.

Debtors with credit balances
The debtors with credit balances at the end of the year have been reclassified to trade payables.

15. Revenue from Leases

Services income	7 620	10 844
Operating Lease	691 853	675 036
Toll Fees	3 424	3 175
Fuel and Oil	121 350	158 959
Traffic and Accident claims	436	3 328
	824 683	**851 342**

16. Debt Impairment (Reversal)

Receivables from exchange transactions impairment	8 842	-

17. Interest received

Interest revenue		
Bank	30 244	62 389
Interest on finance lease receivables	4 128	6 545
	34 372	**68 934**

Notes to the Annual Financial Statements

	2021 R '000	2020 Restated* R '000

18. Realisation of Property Lease Liability

Realisation of Property Lease Liability	1 200	1 200

During 2009, the then Gauteng Department of Public Transport Roads and Works entered into a rental agreement with the Gauteng Department of Infrastructure Development on behalf of g-FleeT. In terms of this lease agreement, the monthly rental is R 100,000 per month (amounting to a R 1,2 million per annum) over the 99 year lease period. The rental agreement does not provide for any inflation, or inflationary adjustments.

The lease agreement further stipulates that the rental fees as paid by g-FleeT, that is in respect of the Entity's Head Office (situated at No. 76 Boeing Road East, Bedfordview) should be set off against any expenditure incurred by the Entity relating to leasehold improvements.

The Entity has recognised this contract as a finance lease, and therefore accounts for this benefit as revenue from exchange transactions given the improvements that have been effected by g-FleeT.

19. Employee related costs

Basic Salary	63 222	63 581
Performance Bonus	9	1 190
Medical aid - company contributions	5 110	4 628
Pension	7 231	7 120
Workmen's Compensation Act contribution	21	20
Leave pay accrual	3 148	1 275
Other short term costs	283	314
Overtime payments	386	1 311
13th Cheques	4 377	4 527
Acting allowances	878	891
Housing benefits and allowances	5 323	5 256
	89 988	**90 113**

Notes to the Annual Financial Statements

	2021 R '000	2020 Restated* R '000
20. General expenses		
Advertising	634	533
Auditors remuneration	5 214	4 968
Bank charges	4	5
Consulting and professional fees	2	275
Consumables	2 250	2 863
Entertainment	1	30
Conferences and seminars	162	497
License fees - software	460	316
Levies	1 200	3 578
Motor vehicle expenses	1	4
Fuel and oil	133 239	173 838
Postage and courier	53	140
Printing and stationery	38	1 029
Security	5 384	4 031
Subscriptions and membership fees	11	12
Transport and relocation costs	18	49
Training	-	649
Travel - local	155	998
Tracking expenses	12 263	17 484
Vehicle theft and losses	4 071	8 006
Rental expenses - operating lease	5 795	6 320
License fees - vehicles	2 789	5 835
Motor vehicle expenses - (RT46 costs)	12 599	23 212
Other expenses	-	12
Inventory write down to net realisable value	699	1 671
	187 042	**256 355**
21. Cash generated from operations		
Surplus	338 820	285 608
Adjustments for:		
Depreciation and amortisation	124 884	129 503
Interest income	(4 128)	(6 545)
Finance costs - Finance lease	1 204	918
Interest paid	10 071	-
Loss on sale of vehicles	3 241	53 448
Cost of sales	74 709	214 213
Realisation of lease property	(1 200)	(1 200)
Inventory write-down	699	1 671
Vehicle Theft and losses	4 071	8 006
Changes in working capital:		
Inventories	7 796	(11 697)
Receivables from exchange transactions	(884)	32 688
Prepayments	(4 454)	(746)
Payables from exchange transactions	(13 418)	1 550
Other payables	3 951	1 489
	545 362	**708 906**

Notes to the Annual Financial Statements

	2021 R '000	2020 Restated* R '000

22. Financial instruments disclosure

Categories of financial instruments

31 March 2021

Financial assets

	At amortised cost	Total
Trade and other receivables from exchange transactions	197 981	197 981
Cash and cash equivalents	1 778 815	1 778 815
	1 976 796	**1 976 796**

Financial liabilities

	At amortised cost	Total
Trade and other payables from exchange transactions	77 492	77 492

31 March 2020

Financial assets

	At amortised cost	Total
Trade and other receivables from exchange transactions	197 097	197 097
Other receivables from non-exchange transactions	4 249	4 249
Cash and cash equivalents	1 497 680	1 497 680
	1 699 026	**1 699 026**

Financial liabilities

	At amortised cost	Total
Trade and other payables from exchange transactions	90 910	90 910

Liquidity risk

g-Fleet's exposure to liquidity risk consists of the risk that it will not have sufficient cash to pay liabilities as they fall due. g-Fleet manages liquidity risk so as to maintain a positive cash balance.

The total exposure to liquidity risk is represented by the trade and other payables and finance lease payable balance in these financial statements.

The entity manages liquidity risk through an ongoing review of future commitments. Through this review, the Entity ensures that it has sufficient cash on demand or access to facilities to meet expected operational and capital expenses. The table below analyses the Entity's financial liabilities into relevant maturity groupings based on the remaining period at the Statement of Financial Position to the contractual date. The amounts disclosed in the table are the contractual undiscounted cash flows. The maturity profile for finance lease maturity payables is disclosed in the finance lease obligations note.

The following is an analysis of the age of accounts receivable that are past due as at the reporting date but not impaired.

Notes to the Annual Financial Statements

	2021 R '000	2020 Restated* R '000
22. Financial instruments disclosure (continued)		
Financial assets past due - Accounts Receivable:		
More than 30 days and not more than 60 days	54 087	19 780
More than 60 days and not more than 90 days	7 702	8 262
More than 90 days	28 394	78 688
	90 183	**106 730**

Maturity of financial liabilities - 31 March 2021	Due within 1 month
Payables from exchange transactions	77 492

Credit risk

Credit risk consists of cash and cash equivalents and receivables. g-Fleet Management considers it's credit risk minimised as the entity only hold cash with major banks with high quality credit standing and Trade and other receivables comprise of a Government customer base. Government debt is considered recoverable. All debtors that are neither past due not impaired are thus considered to be recoverable, although recovery may not be within the contractually agreed timeframes.The entity continues to render services to its defaulting customers so as to ensure government service delivery is not impeded by its clients, in extreme cases petrol cards for service departments are suspended until such time outstanding accounts are settled or realistic payment plans are provided.

g-Fleet establishes an impairment that represents its estimate of potential losses in respect of trade receivables. Further credit risk information is provided in the notes for Receivables from exchange transactions and Finance lease receivables.

The full impact of the COVID-19 pandemic is yet to be determined, and a number of markets have been taken by surprise on the related economic impact in such a short period of time, the impairment of trade debtors is likely to increase as a result of budget repriorization from various client departments, Gauteng Department of Health being the hardest hit and owing the largest sum.

Interest rate risk

The Entity is not entitled to charge interest on overdue debtors. The interest arising from finance lease receivables and payables arises from the interest rate implicit in leases, and is not affected by market interest rates. Thus, the entity's exposure to cash flow interest rate risk arises if it is required to pay interest on overdue trade and other payables. The extent of this risk amounts to market interest rates applied to the trade and other payables balance.

The entity has a policy of paying suppliers within 30 days of the invoice date, and interest rate risk exposure is managed through adherence to this policy.

The interest received from positive bank balances are linked to interest variation as pronounced by the governor of reserve bank.

Notes to the Annual Financial Statements

	2021 R '000	2020 Restated* R '000

23. Commitments

Authorised capital expenditure

Already contracted for but not provided for		
• Open orders for vehicles	94 853	128 780
• Infrastructure	44 046	2 940
	138 899	**131 720**

Total commitments

Total commitments		
Authorised capital expenditure	138 899	131 720

The committed expenditure will be financed by available retained surpluses, existing cash resources and funds internally generated in line with the provisions of the Medium Term Expenditure Framework (MTEF). GRAP 1 paragraph 124 Disclosure requirements on Commitments Page 3 of 3 (d)(1) does not require the disclosure of unrecognised contractual commitments but emphasizes on the order in which other disclosures need to follow.

Operating lease commitments

Minimum lease payments due		
- within one year	284	672
- in second to fifth year inclusive	-	284
	284	**956**

g-FleeT Management entered into two years lease agreement which commenced on 01 July 2019 and terminates on 30 June 2021 and provide for an escalation of rental of 9% per annum. Further additional office space was acquired from the 01 October 2019 and terminates on 30 September 2021.The costs of the lease is straight lined over the period of the lease.g-FleeT Management entered into two years office photo-copy machines lease agreement which commenced on the 01 November 2019 and terminates on 30 September 2021.

Notes to the Annual Financial Statements

	2021 R '000	2020 Restated* R '000

24. Contingent Liabilities

Litigation:

Three service providers have instituted legal claims against g-FleeT seeking damages.

Accident claims relate to the claims that have been instituted against g-FleeT in court, for damages caused to third-party vehicles by State drivers using g-FleeT vehicles. The accident claims instituted against g-FleeT in respect of these claims amounts to R 1,602,452 (2020: R 2,148,468). These accident claims are considered to be contingent liabilities. 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, hence this matter is considered as a contingent liability.

The amounts below represent the Entity's best estimate of the expected cash outflows that will arise from these legal cases and accident claims.

Contingent liabilities consists of:		
Service provider 2 - Application for: 1 Lien on Property, 2. Interdict to proceed with affected construction on g-FleeT's site and 3. Payments of various claims, by the relevant sub-contractors.	3 484	3 484
Service provider 3 - Claim for breach of contract	128	128
Third-party accident claims	1 603	2 149
	5 215	**5 761**

25. Related parties

g-FleeT Management is related to all Gauteng Provincial Government departments and entities by virtue of being under the same control by Gauteng Premier and Gauteng Legislature.
All transactions with related parties are within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which the Entity would have adopted if dealing with that individual entity or person on terms and conditions within the normal operating parameters established by the reporting entity's legal mandate.

To recover long outstanding debts, the entity has the payment arrangements with following clients

Related party balances

Departments		
Gauteng Department of Community Safety	35 000	-
Gauteng Department of Health	-	78 000

Notes to the Annual Financial Statements

Figures in Rand thousand

26. Member's emoluments

Executive

31 March 2021

	Basic Salary	13th Cheque	Pension Contribution	Other Benefits	Total
Mr Armstrong Ngumla - Acting CFO from 05 September 2017 to 31 December 2020	589	-	77	127	793
Mr. Matodzi Mamatsinya - Acting Director (From 01 October 2018)	554	56	72	200	882
Mr. Sifiso Mhlongo- Acting Director(From 01 October 2018)	475	47	62	277	861
Ms. Sherlon Segal - Acting Director: VIP and Pool Services (From 01 July 2020)	304	-	40	247	591
Ms. Salomie Jafta - Director TSS	715	59	93	324	1 191
Mr. N Nduli - Acting COO (From 1 January 2020)	704	-	84	386	1 174
Ms. Ravanne Mathews - Director Permanent Fleet	715	59	93	324	1 191
Mr. Douglas Scott - Acting Director: VIP and Pool Services (From 01 December 2019 to 30 June 2020)	144	-	18	81	243
Ms Noxolo Maninjwa - CEO	1 028	86	134	466	1 714
	5 228	**307**	**673**	**2 432**	**8 640**

31 March 2020

	Basic Salary	13th Cheque	Pension paid or receivable	Other Benefits	Total
Mr. Armstrong Ngumla - Acting CFO 05/09/2017	786	65	102	172	1 125
Mr. Matodzi Mamatsinya - Acting Director Financial Services (From 01 October 2018)	494	55	64	195	808
Mr. Sifiso Mhlongo - Acting Director Maintanance Services (From 01 October 2018)	475	47	62	287	871
	257	-	33	185	475
Ms. Andile Ngcobo - Director Corporate Service	545	48	71	247	911
Ms. Salomi Jafta - Director TSS	704	59	92	319	1 174
Mr. N Nduli - Acting COO (From 1 January 2020)	184	-	24	98	306
Ms. Ravanne Mathews - Director Permanent Fleet	704	59	92	319	1 174
Mr. Douglas Scott - Acting Director: VIP and Pool Services (From 01 December 2019)	195	-	25	105	325
Ms. Noxolo Maninjwa - CEO	1 028	86	134	466	1 714
	5 372	**419**	**699**	**2 393**	**8 883**

Notes to the Annual Financial Statements

	2021 R '000	2020 Restated* R '000

27. Fruitless and Wasteful expenditure

Opening balance	8	-
Add: Fruitless and Wasteful Expenditure - current year	308	27 886
Transferred to receivables	(132)	(42)
Less: Fruitless and Wasteful Expenditure under investigation	-	(27 836)
	184	**8**

The Fruitless and Wasteful expenditure amounting to R 27 836 462,00 was not yet confirmed as the investigation is stil ongoing.

28. Irregular expenditure

Opening balance	102 863	86 828
Add: Irregular Expenditure - current year	464	16 035
	103 327	**102 863**

Analysis of expenditure awaiting condonation per age classification

Current year	464	16 035
Prior years	102 863	86 828
	103 327	**102 863**

Details of irregular expenditure – current year

	Disciplinary steps taken/criminal proceedings	
Expired property lease contract	Investigation have been concluded previously as this comes from old contract. Application for condonation will be sent to relevant authority for approval.	464

29. Rental deposit

This relates to payments made to the landlord as deposit for office rentals at the regions.

Rental deposits	6	6

30. Revenue from auction of vehicles

	71 468	160 765

31. Other Receivables

This balance relates to salary related suspense accounts that could not be cleared during the month of March 2020 or at year end and rental deposits from previous property lease agreements.

Other Receivables	85	148

Notes to the Annual Financial Statements

	2021 R '000	2020 Restated* R '000

32. Other income

Revenue from Transport Income	1 890	2 012
Sundry Income	93	95
	1 983	**2 107**

33. Finance costs

Late payment of suppliers	305	-
Finance leases	1 204	1 220
	1 509	**1 220**

34. Cost of sales

Sale of goods		
Cost of goods sold	74 709	214 213

35. Repairs and maintanance

The following specific costs included in the amount of repairs and maintanance were incurred by g-FleeT Management.

General maintanance and services	93 344	89 281
Spares and accessories	16 225	9 462
Tyres and tubes	11 539	11 749
	121 108	**110 492**

36. Going Concern

The full impact of the COVID-19 pandemic is yet to be determined, and a number of markets have been taken by surprise on the related economic impact in such a short period of time. Despite the scourge of COVID-19, as at 31st March 2021 Management of the Entity has every reason to believe g-FleeT Management will continue to operate in the foreseeable future.

This assumption is based on the below assessment: -

1. The allocated budget for 2020/21 financial year for the sum of R 653,527 million was approved on the 28th February 2021.

2.The Entity has a strong balance sheet that is backed by cash.

3.Strict daily cash management processes are embedded in the Entity's operations to manage and monitor all actual cash inflows and cash outflows in terms of the cash-flow forecast supporting the budget. The cash management processes are complemented with monthly reporting, highlighting the actual cash position, including the associated risks and remedial actions to be instituted.

4.The Entity has the power to levy fees, tariffs and charges, this will result in an ongoing inflow of revenue to support the ongoing delivery of services. Certain key financial ratios, such as liquidity and solvency are closely monitored and the necessary corrective actions instituted. Taking the aforementioned into account, management has prepared the Annual Financial Statements on the going concern basis.

Notes to the Annual Financial Statements

	2021 R '000	2020 Restated* R '000

37. Depreciation and Amortisation

Motor vehicles	119 614	124 359
Property,plant and equipment	5 023	4 941
Intangible assets	247	248
	124 884	**129 548**

38. Segment Reporting

The g-FleeT Management has one economic activity that generates service potential, whose results are regularly reviewed by management to make decisions about resources to be allocated and for which financial information is available.
The g-FleeT Management has a single service segment as well as a geographical segment.

39. Principal-agent arrangement

The relationship between g-FleeT Entity and Tirhani Auctioneers forms part principal-agent arrangement as Tirhani Auctioneers auctions vehicles on behalf of g-FleeT Entity to third party for g-FleeT benefit, g-FleeT is the principal and Tirhani Auctioneers is an agent in the arrangement. No changes occurred during the reporting period relating to the significant terms and conditions. The purpose of the arrangement to sell g-FleeT vehicles through an auctions as this forms part of revenue generating for g-FleeT and recapitalise the assets and by selling the vehicles it eliminates the risks of damages E.g nature disasters. No resource of the entity are under the custodianship of an agent and a sales commission of R4 749 754,94 for 2020/21 financial year was paid. No cost implications for the principal will be incurred should the contract be cancelled

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