



**DEPARTMENT OF TRANSPORT, SAFETY AND
LIAISON**

NORTHERN CAPE PROVINCE

ANNUAL REPORT 2022/23

VOTE 3

CONTENTS

PART A: GENERAL INFORMATION	5
1. DEPARTMENT: GENERAL INFORMATION	5
2. LIST OF ABBREVIATIONS	6
3. FOREWORD BY THE MEMBER OF THE EXECUTIVE COUNCIL	7
4. REPORT OF THE ACCOUNTING OFFICER	10
5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT	19
6. STRATEGIC OVERVIEW	20
6.1. Vision	20
6.2. Mission	20
6.3. Values	20
7. LEGISLATIVE AND OTHER MANDATES	21
8. ORGANISATIONAL STRUCTURE	28
9. ENTITIES REPORTING TO THE MEC	28
PART B: PERFORMANCE INFORMATION	29
1. AUDITOR-GENERAL’S REPORT: PREDETERMINED OBJECTIVES	29
2. OVERVIEW OF DEPARTMENTAL PERFORMANCE	29
2.1. Service Delivery Environment	29
2.2. Service Delivery Improvement Plan	30
2.3. Organisational Environment	32
2.4. Key Policy Development and Legislative Changes	32
3. ACHIEVEMENT TOWARDS INSTITUTIONAL IMPACTS AND OUTCOMES	33
4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION	37
4.1. Programme 1	37
4.2. Programme 2	45
4.3. Programme 3	50
4.4. Programme 4	53
5. TRANSFER PAYMENTS	60
5.1. Transfer Payments to Public Entities	60
5.2. Transfer Payments to all Organisations other than Public Entities	60
6. CONDITIONAL GRANTS	61
6.1. Conditional Grants and Earmarked Funds Paid	61

6.2. Conditional Grants and Earmarked Funds Received	63
7. DONOR FUNDS	64
8. CAPITAL INVESTMENT	64
8.1. Capital Investment, Maintenance and Asset Management Plan.....	64
PART C: GOVERNANCE.....	65
1. INTRODUCTION	65
2. RISK MANAGEMENT	65
3. FRAUD AND CORRUPTION	66
4. MINIMISING CONFLICT OF INTEREST.....	66
5. CODE OF CONDUCT	67
6. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES	68
7. PORFTOLIO COMMITTEE	69
8. SCOPA RESOLUTIONS	72
9. PRIOR MODIFICATION TO AUDIT REPORTS	77
10. INTERNAL CONTROL UNIT	77
11. INTERNAL AUDIT AND AUDIT COMMITTEES	78
12. AUDIT COMMITTEE REPORT	81
13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION.....	87
PART D: HUMAN RESOURCE MANAGEMENT	88
1. INTRODUCTION	88
2. OVERVIEW OF HUMAN RESOURCES	88
3. HUMAN RESOURCES OVERSIGHT STATISTICS	91
PART E: PFMA COMPLIANCE REPORT	116
1. IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES	116
1.1. Irregular Expenditure	116
1.2. Fruitless and Wasteful Expenditure	119
1.3. Unauthorised Expenditure	121
1.4. Additional Disclosure relating to Material Losses in Terms of PFMA Section 40(3)(b)(i) & (iii)	122
2. LATE OR NON-PAYMENT OF SUPPLIERS.....	123
3. SUPPLY CHAIN MANAGEMENT	124
3.1. Procurement by other means	124
3.2. Contract Variations ad Expansions	124

PART F: FINANCIAL INFORMATION	125
1. REPORT OF THE AUDITOR GENERAL	125
2. ANNUAL FINANCIAL STATEMENTS	140

PART A: GENERAL INFORMATION

1. DEPARTMENT: GENERAL INFORMATION

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2. LIST OF ABBREVIATIONS

NLTIS	National Land Transport Information System
SANTACO)	South African National Taxi Council
SANSBOC	South African National Small Bus Operator Council
SANWIT	South African Network for Women in Transport
MTSF	Medium Term Strategic Framework
PLTF	Provincial Land Transport Framework
RMC	Risk Management Committee
POE	Portfolio of Evidence
NCEDA	Northern Cape Economic Development Agency
SHERQ	Safety, Health, Environment, Risk, and Quality
SAPS	South African Police Services
SCM	Supply Chain Management

3. FOREWORD BY THE MEMBER OF THE EXECUTIVE COUNCIL

It is a great privilege to table the Annual Report of the Department of Transport, Safety & Liaison for the 2022/23 financial year. This is one of the tools that enable us to stand accountable for our financial and non-financial performance. We will also have the opportunity to demonstrate how our activities and programmes during the year contributed to broader and more specific achievements for key service delivery imperatives to the people of the Northern Cape.

The Constitution of the Republic asserts the right of all citizens to be and feel safe and secure and, as such, the Department continues to execute its oversight mandate over the functioning of the police. This includes research, support, monitoring and evaluation functions over our men and women in blue, which remains at the heart of our efforts to realize a transformed, responsive and accountable police service.

We remain committed to develop more accessible, safe and affordable Public Transport Systems through subsidizing the industry, whilst at the same time improving existing systems as well as the development and implementation of alternatives like non-motorized transport. Coupled with our continued assistance with drafting Integrated Transport Plans in Municipalities, we are geared to understand local and provincial transport economies and the role we can play to promote provincial development and growth.

We are also proud of our infrastructure projects in and around taxi ranks to provide safe, functional spaces in public transport. We are appreciative of all the networks and relationships we have been able to build with local authorities to make this possible.

We are further able to report consistently low levels of road accidents and fatalities. This is made possible through our sustained road safety operations, especially during festive periods. We have improvements in the technology we use, seen through Computerized Learner Licence Systems, pro-laser speed cameras, as well as decentralizing registering authorities to promote access across the province.

The Department takes seriously its role in the economic empowerment of marginalized groups (women, youth and persons with disabilities), reflected clearly in our patterns of expenditure against goods and services. We honour with enthusiasm the creation of employment opportunities for young people through the Expanded Public Works Programme and newer positions created as we decentralize functions to regions.

Our Province has, regrettably, reported increases in contact and sexual crime over the period. This has resulted in a more concerted efforts of the Northern Cape Provincial Government revisiting its mechanisms and structures to address Gender-Based Violence, as well as its functioning with stakeholder parties. We have also seen the relaunch of the Provincial Development Committee (DEVCOM) to secure closer working relationships inside the Justice and Security Cluster Departments.

An important aspect of our monitoring is the oversight over Police Stations. This gives us an opportunity to engage with our police officers, find out just how involved the community is in crime prevention as well as challenges that hamper positive police responses. Our work in assessing and supporting Victim Friendly Facilities proceeds unabated to ensure we create safe spaces for victims to report crime.

We must commend the South African Police Service for their continued dedication towards ever higher levels of visibility. In spaces where there is a constant and active police visibility factor, we find members of communities who have increased perceptions of safety and a positive relationship or interaction with the police. Overall, we push forward in evaluating police-community interactions through ensuring Community Police Forums are active and functional.

More than that, we are securing their cooperation as the fundamental building block in co-creating safer communities ripe for development and growth. Just as we appreciate our valued relationship with all our stakeholders, we rise in our gratitude to members of our communities who step forward to fight with us against lawlessness in the spaces we live in.

The relationship we have with our communities and stakeholders are especially important in our fight against escalating levels of Gender Based Violence - something which has laid bare just how vulnerable our women and children are and how important it is to address this issue from a multi-faceted and multi-disciplinary approach. We have also come to depend on our relationship with civil society organisations in spreading awareness and being a presence of knowledge and support for victims of violence.

We are grateful to all our stakeholders and sister departments who have worked with us on many and varied programmes including substance abuse awareness, human trafficking, homophobic bullying, school safety, Gender Based Violence as well as our road safety awareness programmes.

We remain convinced that knowledge is power and gives our people tools and understanding in order to live full and productive lives as members of our communities.



MS. N BLOEM

MEC: TRANSPORT, SAFETY AND LIAISON

DATE: 31ST AUGUST 2023

4. REPORT OF THE ACCOUNTING OFFICER

OVERVIEW OF THE OPERATIONS OF THE DEPARTMENT

I herewith present the Annual Report of the Department as per Section 40(1)(d) of the Public Finance Management Act 1 of 1999.

The purpose of the report is to provide Oversight Bodies and the public with an overview of the resources that were allocated to the Department for the period under review; and to account in broad terms on how allocated resources were utilised in fulfilling the statutory functions of the Department towards achieving its mandate.

We have sought to include the right amount of detail, striking a balance between transparency and readability, ensuring that the report meets technical requirements and is of use to all readers.

In an effort to address Priority 2, Economic Transformation and Job Creation of the Medium-Term Strategic Framework (2019-2024):

- The Department ensured that 69% of goods and services budget was dedicated to economic empowerment of marginalized groups (Women, Youth and persons with disabilities).
- The Department further appointed seventy-two (72) members of the community to the Expanded Public Works Programme to assist the department in addressing social crime prevention at crime weight police stations. The disaggregation of appointment is twenty-five (25) males, forty-seven (47) females and one (1) person with a disability, with all seventy-two (72) of these being youth proves that the department is making concerted efforts to create opportunities for women, youth and persons with disability to earn and contribute towards the economy of the country.

The Department recognises that crime and activities related to crime in the province has a dire effect on the communities' feelings of safety and security. The department, therefore, recognises that as oversight over the South African Police Services (SAPS), we ensure that we have an

effective and professional police service which will result in improved trust in the work of SAPS and ultimately in the credibility of the criminal justice system as a whole.

The department is a key contributor to Priority 6, Social Cohesion and Safe Communities, of the MTSF which aims to ensure that the Northern Cape is a place where residents and visitors are safe and live free of fear and where their perception of safety improves. To this end there has been a significant increase in police visibility in the province for the period under review with the following as key activities:

- Blue light patrols – 231 210
- Foot patrols – 70 789
- Vehicle patrols – 640 613
- Roads – 7 102

Unfortunately, the province has seen an increase in both contact crime and sexual crime with contact crime increasing by 13,8% in 2022/23 in comparison to the same period in 2021/22 and sexual crime increasing by 22%. This has resulted in the various stakeholder departments to focus in on those areas where these crimes are high and concentrate all our efforts in reducing such. During the 2023/24 the Department will be working ever closer with the Justice and Security Cluster Departments namely, South African Police, Department of Justice and Constitutional Development, National Prosecuting Authority, Department of Correctional Services and Department of Home Affairs to ensure a reduction in the levels of crime and compliance with MTSF Priority 6, Social Cohesion and Safe Communities.

Of the ninety-two (92) Victim Friendly Facilities that were assessed for functionality seventy-one (71) were deemed functional. Those not functional and the outcomes thereof have been communicated to the South African Police Services to address the matters so as to ensure any secondary victimisation of the victims of sexual offences is minimised.

The department contributes to Priority 5 of the MTSF (Spatial, Human Settlements and Local Government) by assisting municipalities with capacity building in relation to creating transport functions, and has developed an action plan for the development and finalisation of Integrated Transport Plans (ITP's) and public transport services designs. As part of our contribution towards further economic empowerment the department has subsidised 40 248 trips assisting the commuters to get to and from their places of employment.

The realisation that the greater majority of all road accidents are preceded by a road traffic violation makes the improvement of road-user perceptions, attitudes and behaviour a matter of urgency. The challenge of decreasing the high rate of non-compliance with traffic laws and regulations, coupled with a continuous downward trend in the finalization of traffic violations and a judicial system that is unable to effectively deal with traffic infringements has been vigorously dealt with as a priority even with the Programme budget baseline reduction. We have during the period under review seen a significant decline in the number of road fatalities from 304 in 2021/22 to 241 in 2022/23.

Below are some of the achievements that served as highlights for the period under review:

- Appointment of ten (10) cashiers at the five traffic stations that are currently operating as registering authorities, and other identified municipalities. These cashiers are collecting revenue on behalf of the department.
- The department absorbed as permanent employees a total of 64 security officials and administrative clerks combined who were on contract employ for more than 5 years. This has enabled the department to remain true to the commitment of government of creating decent work for our people.
- All senior managers have been vetted during the year under review which demonstrates the resolve of the Department of Transport, Safety and Liaison to contribute to the establishment of an ethical administration and by extension an ethical state.

- In an attempt to give life to the dictum of government to establish a developmental state, the department of Transport, Safety and Liaison awarded a total of 22 bursaries to departmental officials.
- The COVID pandemic, its resultant demise of livelihoods of many families, has exacerbated an already perilous mental health status of officials in the department. It is for this reason that the Employee Health and Wellness unit has prioritised intervention programmes in partnership with sector departments to provide support and coping mechanism to those who are challenged.
- Ethics training was conducted by the Public Service Commission for all officials in the department.
- Seven (7) Officials were capacitated in disability awareness and disability mainstreaming. This is a significant leap forward as the department gears itself towards effectively responding to the needs of people with special needs.
- Two (2) officials attended Labour Law Training.
- Research conducted on the integrated Crime and Violence Project to determine the roles and responsibilities that Municipalities play in preventing violence in their respective municipalities. A National Draft Research Report will be published once the Minister of Police and Portfolio Committee have endorsed it.
- Court Watching Brief implemented in the province to conduct docket analysis on cases struck off the roll at the courts.
- Completion of the Colesberg Taxi Rank roof structure project.
- The successful handing over of the taxi rank to the Umsobomvu Local Municipality.
- 600 Shova Kalula Bicycles with accessories were distributed
- Memorandum of Understanding were signed by Three (3) External Stakeholders namely SANTANCO, SANWIT and SANSBOC
- Successful Transport Month during the month of October
- Installation of Computerized Learner License Systems at 30 Driver License Testing Centres (sites) in the province

- Participated in the National Road Safety Debate and obtained position three (3) on Rural and Urban Categories
- Registered Ten (10) Provincial Traffic Stations as Registering Authorities thus able to assist Thousands of Motorists to renew their Motor Vehicle Licenses thus enhancing Service delivery and much needed Revenue Collection for the Province
- Successfully executed and concluded the project for laying of Paving bricks on the driving surface at the Springbok Weighbridge
- Appointment of Principal Provincial Inspectors at Colesberg, Richmond, Olifantshoek as well as Jankemp Provincial Traffic Stations
- Ten (10) Pro-Laser Speed Cameras were procured and delivered and 102 Traffic Officers trained on the use of the Cameras
- Ten (10) Double Cab LDV's were procured, delivered, branded and allocated to respective Traffic Stations

OVERVIEW OF THE FINANCIAL RESULTS OF THE DEPARTMENT**Departmental Receipts**

Departmental receipts	2022/23			2021/22		
	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	334 906	310 750	24 156	349 445	314 450	34 995
Casino taxes						
Horse racing taxes						
Liquor licences						
Motor vehicle licences	334 906	310 750	24 156	349 445	314 450	34 995
Sale of goods and services other than capital assets	18 961	19 646	(685)	18 162	19 476	(1 314)
Transfers received						
Fines, penalties and forfeits	1 162	486	676	1 186	912	274
Interest, dividends and rent on land						
Sale of capital assets	0	2 513	(2 513)	0	0	0
Financial transactions in assets and liabilities	565	551	14	541	526	15
Total	355 594	333 946	21 648	369 334	335 364	33 970

The department collected a total amount of R333 946 million, or 94 percent (94%) of the total departmental revenue budget of R355 594, for the 2022/23 financial period. The collection rate in the current financial year is lower, when compared to the same period in the past financial year. Appointment of ten (10) cashiers at the five traffic stations that are currently operating as registering authorities, and other identified municipalities. These cashiers are collecting revenue on behalf of the department.

Motor vehicle license tax

The total revenue collected at municipal and South African Post Office (SAPO) registering authorities, for motor vehicle license renewal (tax receipts), amounts to R310 750 million, or 93 percent (93%) of the total revenue budget of R334 906. The under collection of revenue under

this item is R24 188 million. The under collection is due to the fact that, some municipalities collected money on behalf of the department, but did not pay it over, as they should. One other reason is the challenges faced by the South African Post Office (SAPO) where motorists could not renew their motor vehicle licences, as some of the Post Offices were closed in the province.

Sales of goods and services.

The department is reflecting an over-collection amount of R685 or 4% more than of the budget (R 18 961 million) under the item 'sales of goods and services other than capital assets.' The department over-collected in this item as a result of a Vin Quip Wine Tank project that is currently underway.

Fines

At the financial year end 2022/23, a drastic under-collection of R676 thousand or 42 percent (42%) of the total budgeted amount of R1 162 on traffic fines was experienced. This is due to uncertainty in the nature of this item and a shortage of human resources in the department.

Programme Expenditure

Programme Name	2022/23			2021/22		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	138 464	138 416	48	127 664	126 514	1 150
Civilian Oversight	30 915	30 066	849	28 530	26 554	1 976
Transport Operations	83 631	87 856	(4 225)	100 888	94 391	6 497
Transport Regulations	107 458	107 395	63	97 128	88 827	8 301
Total	360 468	363 733	(3 265)	354 210	336 286	17 924

The total budget allocated to the Department during the financial year ended March 31st, 2023 amounted to R360 468 million. At the end of the financial period, the department exceeded the adjusted budget allocated by R3 265 million, or 1 percent (1) from the total departmental budget. In the previous financial period (2021/22), an under spending of R17 924 million, or 5 percent (5) of the allocated adjusted budget of R354 210 million, was recorded. The over-spending is attributed to the payment made towards the infrastructure project in Port Nolloth. The project has subsequently been transferred to Northern Cape Economic Development Agency (NCEDA).

A roll over request to the amount of R6,7 million was submitted to Provincial Treasury, for approval for the following:

- Procurement of building in Springbok for the district office: R1, 5 million
- PTOG invoices for March, 2023: R5,2 million

The Virement will be a total decrease of R4,691 million from compensation of employees and an increase of R4, 299 in goods and services. The main reason for the Virement is to defray excess of expenditure under these two mentioned items.

No unauthorised expenditure was incurred in the previous financial (2021/22) as per the indicator. However, a total of R9,4 million (which will be reported on in the 2023/24 Annual Report) was incurred in 2022/23 as a result of payment made towards infrastructure project of Boegoebaai in Port Nolloth, which was not budgeted for, and it was in a process of being transferred to NCEDA as per above discussion. Fruitless and Wasteful expenditure amount of R344 incurred as a result of interest charged on invoices/payments processed late. A dedicated official has been assigned to deal with all contractual accounts, within SCM unit.

- Public Private Partnerships
N/A
- Discontinued key activities / activities to be discontinued
N/A

- New or proposed key activities

N/A

- Supply Chain Management (SCM)

The Department has appointed, on contract, an official who will implement processes and systems that will assist to prevent irregular expenditure and deal with all SCM challenges, that includes but not limited to the strategy to deal with contract management, implementation of all SCM policies and regulations, compliance to the PFMA and all legislative mandates.

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

N/A

- Exemptions and deviations received from the National Treasury

N/A

- Events after the reporting date

N/A

CONCLUSION

As the Head of Department, I am pleased with the work that has been done over the past year in the realisation of the Departmental Vision and Mission. This has been done collectively and by ensuring that the limited resources are directed to where they are most required.



MR. RE PIETERSE

ACCOUNTING OFFICER

DEPARTMENT OF TRANSPORT, SAFETY AND LIAISON

DATE: 31ST AUGUST 2023

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

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

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

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

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

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

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

The Accounting Officer is responsible for establishing, 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 2023.



MR. RE PIETERSE

ACCOUNTING OFFICER

DATE: 31ST AUGUST 2023

6. STRATEGIC OVERVIEW

6.1. Vision

A leader in the creation and coordination of safe, secure and sustainable transport and policing systems for a crime-free Northern Cape Province.

6.2. Mission

To enable a safe and secure environment and mobility for the community of the Northern Cape through:

- Good Corporate Governance, Management, Administration and Support
- Establishing and supporting community safety partnerships
- Monitoring and oversight of the police
- Facilitating and coordinating social crime prevention and road safety programmes
- Educating, enforcing and administering road traffic legislation
- Liaison with all relevant stakeholders, role-players and clients pertaining policing, safety and security
- Regulated and integrated transport modes which are economically

6.3. Values

In the fulfilment of its Mission and towards the attainment of its Vision, the Department intends achieving performance excellence through the adherence to the following operational values:

- Service Excellence through Batho Pele
- Mutual Respect and Trust
- Integration of effort - between agencies, local authorities, Government Departments and other stakeholders
- Teamwork – working together and building a spirit of co-operation
- Knowledge Application - courage to learn, change and innovate
- Professionalism, honesty and integrity
- Shared vision, communication, consultation and sharing of ideas and information, commitment and teamwork

- Accountability, transparency, compliance and meeting of deadlines
- Pro-active thinking and approach
- Motivation as an integral function of all managers, consistently giving recognition, acknowledgement and feedback
- Unity in diversity, representivity and equity
- Culture of tolerance, mutual respect, trust, honesty, loyalty, patriotism, positive attitude
- Adherence to the Public Service Code of Conduct and self-discipline.

7. LEGISLATIVE AND OTHER MANDATES

The Department of Transport, Safety and Liaison mandate is derived from the Constitution of the Republic of South Africa, 1996 (herein referred to as the Constitutions). Certain mandates are concurrent responsibilities, whilst others are exclusively the responsibility of the provincial government. The mandates and legislation are outlined in this section.

Constitutional mandates

In terms of Schedule 4, Part A of the Constitution read with other legislation, the DTSL is concurrently responsible for the following functional areas of legislative competence:

- Public Transport (the concurrent national department is the Department of Transport);
- Vehicle Licensing (the concurrent national department is the Department of Transport);
- Road traffic regulation (the concurrent national department is the Department of Transport);
- Oversight over policing (the concurrent national department is the National Secretariat for Police)

Provincial governments have been assigned a number of policing functions and duties within Chapter 11 of the Constitution as set out below:

- To determine the policing needs and priorities for the province as per Section 206(1) read with Section 206(2)
- To monitor police, conduct as per Section 206(3)(a)

- To oversee effectiveness and efficiency of the police and the community as per Section 206(3)(c)
- To assess the effectiveness of visible policing as per Section 206(3)(d)
- To liaise with the Cabinet Member responsible for policing with respect to crime and policing in the province as per Section 206(3)(e)
- To investigate or appoint a commission of inquiry into, any complaint of police inefficiency or a breakdown in relations between the police and community as per Section 206(5)(a)
- To consider and refer complaints to the Independent Police Investigative Directorate (IPID) and to monitor the investigation of such complaints as per Section 206(6)
- To require the Provincial Commissioner (SAPS to appear before the provincial legislature or any of its committees to answer questions as per Section 206(9)
- To receive and consider the annual report on policing in the province from the Provincial Commissioner as per Section 207(5)
- To consider and institute appropriate proceeding against the Provincial Commissioner if the provincial executive has lost confidence in that Provincial Commissioner as per Section 207(6)

Legislative Mandates and Policy Mandates

In the main the following national and provincial legislation and policy mandates guide the DTSL in the discharge of its responsibilities:

Function	Legislation
Transport	<p>Administrative Adjudication of Road Traffic Offences Act, 1998 (Act 46 of 1998) (AARTO) (As amended)</p> <p>Promotes road traffic quality by providing for a scheme to discourage road traffic contraventions, to facilitate the adjudication of road traffic infringements, to support the prosecution of offenders in terms of national and provincial laws relating to road traffic, to implement a points demerit system, to provide for the establishment of an agency to administer the scheme, to provide for the establishment of a board to represent the agency, and to provide for related matters.</p>
	<p>National Land Transport Act, 2009 (Act 5 of 2009) (NLTA)</p> <p>Provides for the process of transformation and restructuring of the National Land Transport System initiated by the National Land Transport Transition Act, 2000 (Act 22 of 2000), through:</p> <ul style="list-style-type: none"> • The formulation and implementation of provincial land transport policy and

Function	Legislation
	<p>Strategy;</p> <ul style="list-style-type: none"> • The planning, coordination, and facilitation of land transport functions; • Collaboration between municipalities; and • Liaison with other government departments.
	<p>National Road Traffic Act, 93 of 1996 The object of this Act is to provide for road traffic matters which shall apply uniformly throughout the Republic and for matters connected therewith.</p>
	<p>Road Traffic Management Corporation Act, 1999 (Act 20 of 1999) Provides, in the public interest, for cooperative and coordinated strategic planning, regulation, facilitation, and law enforcement in respect of road traffic matters by the national, provincial, and local spheres of government; regulates the contracting out of road traffic services; provides for the phasing in of private investment in road traffic and, to that end, provides for the establishment of the Road Traffic Management Corporation and related matters.</p>
	<p>Firearms Control Act, 2000 To establish a comprehensive and an effective system of firearms control; and to provide for matters connected therewith.</p>
	<p>National Development Plan (NDP) 2030 Chapter 10: Goal 5 The responsibility of the Department in promoting health is to reduce injury, accidents and violence by 50% from 2010 levels by introducing measures to reduce motor vehicle accidents</p>
	<p>National Public Transport Strategy, 2007 This strategy has two key thrusts, namely:</p> <ul style="list-style-type: none"> • Accelerated modal upgrading, which aims to provide for new, more efficient, • Universally accessible, and safe public transport vehicles and skilled operators. <p>Integrated rapid public transport networks, which aims to develop and optimise integrated public transport solutions.</p>
	<p>National Road Safety Strategy, 2016-2030 Informs a national coordinated effort to improve education and enforcement regarding poor road user behaviour in line with international best practices and recommendations from the World Health Organization for developing countries.</p>
	<p>National Rural Transport Strategy, 2016 Provides guidance to all three spheres of government on dealing with the mobility and access challenges experienced in rural areas in an integrated, aligned, coordinated manner. Its two main strategic thrusts are promoting coordinated rural nodal and linkage development; and developing demand-responsive, balanced, sustainable rural transport systems.</p>
	<p>National Freight Logistics Strategy, 2005 Reduces inland freight costs through lower system costs that result from increased efficiency, reliability, and lower transit times, thus offering the customer viable modal choices between road and rail.</p>

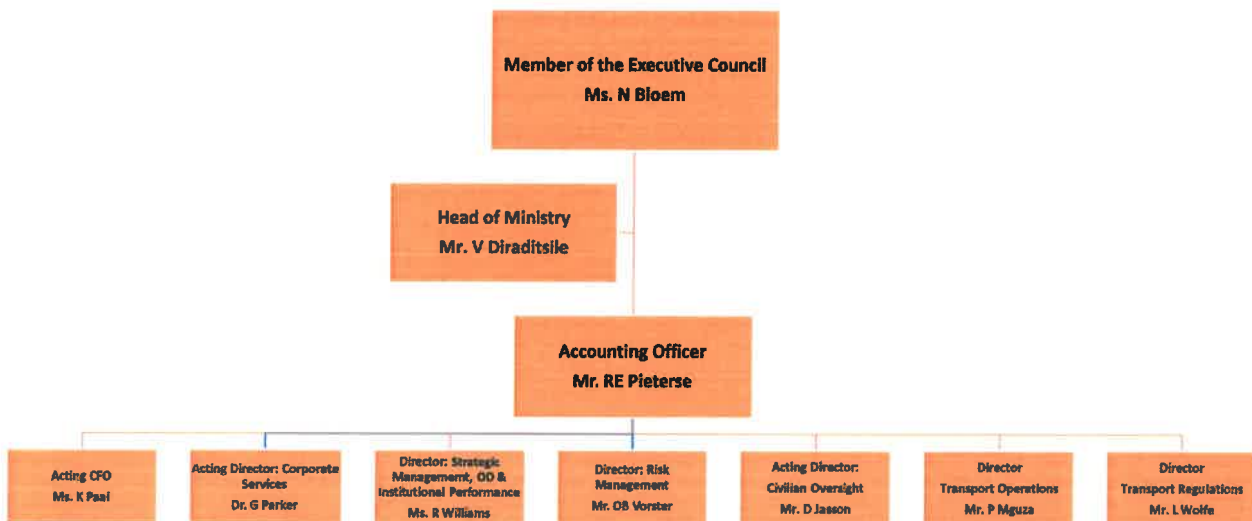
Function	Legislation
<p>Civilian Secretariat</p>	<p>Civilian Secretariat for Police Act, 2 of 2011</p> <p>The Act gives effect to Section 208 of the Constitution by establishing the Civilian Secretariat to function under the direction of the National Minister of Police. The DTSL is mandated, under the auspice of the Provincial Secretariat, as per section 17 of the Civilian Secretariat for Police Act to “establish competencies and capabilities in its operations, to:</p> <ul style="list-style-type: none"> • Monitor and evaluate the implementation of policing policy in the province; • Evaluate and monitor police conduct in the province; • Develop and evaluate safety models and monitoring tools to ensure alignment with the functions of the civilian secretariat; • Assist the civilian secretariat with any monitoring and evaluation projects; • Promote community police relations; • Establish and promote partnerships; and • Manage the enhancement of community safety structures with the province
	<p>South African Police Service Act No 68 of 1995 Chapter 2</p> <p>Highlights the responsibility of a provincial government to establish a provincial secretariat to be called the Provincial Secretariat for Police: Provided that the date on which a provincial secretariat will come into operation shall be determined by a provincial government in consultation with the Minister.</p>
	<p>Independent Police Investigation Directorate Act 1 of 2011</p> <p>The Independent Police Investigative Directorate (IPID) Act No. 1 of 2011 gives effect to the provision of section 206(6) of the Constitution, ensuring independent oversight of the SAPS and MPS. The IPID resides under the Ministry of Police and functions independently of the SAPS.</p>
	<p>National Crime Prevention Strategy (1996)</p> <p>The National Crime Prevention Strategy is primarily a long-term programme aimed at creating conditions in which the opportunities and motivation for crime will be reduced, as well as transforming the capacity of the criminal justice system to deal with crime.</p>
	<p>White Paper on Safety & Security (2016)</p> <p>The objectives of the White Paper on Safety and Security are to:</p> <ul style="list-style-type: none"> • Provide an overarching policy for safety, crime and violence prevention that will be articulated in a clear legislative and administrative framework to facilitate synergy and alignment of policies on safety and security; and • Facilitate the creation of a sustainable, well-resourced implementation and oversight mechanism, which will co-ordinate, monitor, evaluate and report on implementation of crime prevention priorities across all sectors.
	<p>White Paper on Policing (2016)</p> <p>The purpose is to separate the police focused policy from that of the broader policy on safety and security and to provide an enabling legislative framework for civilian oversight and align the police service to the rest of the public service.</p>

Function	Legislation
	<p>Policy on the Establishment of Community Safety Forums (2016) Based on an analysis of the different CSF and similar structures in Provinces, it was discovered that the form, structure and mandate of the CSF appeared to differ in some areas. This policy framework aims to respond to those questions by proposing a uniform policy approach to the establishment, mandate, structure, location and funding models of a countrywide approach to CSF's.</p>
	<p>Civilian Secretariat for Police Service Regulations of 2016 These Regulations apply to members of the Civilian Secretariat and Provincial Secretariats established in terms of the Act and to the police service.</p>
	<p>National Development Plan 2030 Chapter 12 Role of the Department:</p> <ul style="list-style-type: none"> • The promotion of professional policing (through effective oversight) • Build safety (using an integrated approach) • Build community participation in community safety • Strengthen the criminal justice system • Demilitarise the police service
Transversal	<p>Basic Conditions of Employment Act, 1997 (Act 75 of 1997) To give effect to fair labour practices referred to in section 23(1) of the Constitution by establishing and making provision for the regulation of basic conditions of employment, and thereby to comply with the obligations of the Republic as a member state of the International Labour Organization.</p>
	<p>Control of Access to Public Premises and Vehicles Act, 1985 (Act 53 of 1985) Provides for the safeguarding of certain public premises and vehicles and for the protection of the people therein or thereon, and for related matters.</p>
	<p>Division of Revenue Act (Annual) An annual Act of Parliament which provides, inter alia, for the equitable division of revenue anticipated to be raised nationally among the national, provincial, and local spheres of government and for Conditional Grants to provinces to achieve government's policy objectives. It further promotes predictability and certainty in respect of all allocations to provinces and municipalities so that such governments can plan their budgets over a multi-year period.</p>
	<p>Employment Equity Act, 1998 (Act 55 of 1998) Aims to achieve equity in the workplace by promoting equal opportunity and fair treatment in employment through the elimination of unfair discrimination and implementing affirmative action measures to redress the disadvantaged in employment experienced by designated groups in order to ensure equitable representation in all occupational categories and levels in the workforce.</p>
	<p>Labour Relations Act, 1995 (Act 66 of 1995) Enables the department to advance economic development, social justice, labour peace, and the democratisation of the workplace.</p>

Function	Legislation
	<p>Occupational Health and Safety Act, 1993 (Act 85 of 1993) Requires DTSL, as custodian and regulator of the built environment, to ensure that all buildings and irrespective of whom it is undertaken by, complies with this legislation and that the structures remain compliant throughout their life cycle.</p>
	<p>Promotion of Access to Information Act, 2000 (Act 2 of 2000) (PAIA) PAIA fosters a culture of transparency and accountability in public and private bodies by giving effect to the right of access to information (provided by Section 32 of the Constitution) and actively promoting a society in which people have effective access to information to enable them to more fully exercise and protect all their rights.</p>
	<p>Promotion of Administrative Justice Act, 2000 (Act 3 of 2000) (PAJA) Gives effect to Section 33 of the Constitution which provides that everyone has the right to administrative action that is lawful, reasonable, and procedurally fair. Anyone whose rights have been adversely affected by administrative action has the right to be given reasons. PAJA deals with general administrative law and therefore binds the entire administration at all levels of government.</p>
	<p>Public Finance Management Act, 1999 (Act 1 of 1999) Supports transparency, accountability, and sound management of the revenue, expenditure, assets, and liabilities of DTSL.</p>
	<p>Public Service Act, 1994 (Proclamation 103 published in Government Gazette 15791 of 3 June 1994) This is the principal Act governing public administration. It provides the administrative and operational framework for government departments by providing guidelines on employment and human resource practices, i.e. Conditions of employment, terms of office, discipline, retirement, and discharge of members of the public service, and related matters.</p>
	<p>Public Service Regulations These regulations give effect to the Public Service Act as amended</p>
	<p>Protection of Personal Information Act, 2013 The Protection of Personal Information Act (POPIA) is South Africa's data protection law. The purpose of the Protection of Personal Information Act (POPIA) is to protect people from harm by protecting their personal information. To stop their money being stolen, to stop their identity being stolen, and generally to protect their privacy, which is a fundamental human right. To achieve this, the Protection of Personal Information Act sets conditions for when it is lawful for someone to process someone else's personal information.</p>
	<p>Minimum Information Security Standards The Minimum Information Security Standards (or MISS) is a standard for the minimum information security measures that any institution must put in place for sensitive or classified information to protect national security.</p>
	<p>Prevention and Combating of Corrupt Activities Act, 12 of 2004 The Prevention and Combating of Corrupt Activities Act (PCCA) is the primary law governing Anti-Bribery and Corruption prevention and enforcement in South Africa.</p>

Function	Legislation
	It applies to organisations based in the country and those based outside but doing business in the country.
	<p>Electronic Communication and Communications Act, 36 Of 2005 To promote convergence in the broadcasting, broadcasting signal distribution and telecommunications sectors and to provide the legal framework for convergence of these sectors; to make new provision for the regulation of electronic communications services, electronic communications network services and broadcasting services; to provide for the granting of new licences and new social obligations; to provide for the control of the radio frequency spectrum; to provide for the continued existence of the Universal Service Agency and the Universal Service Fund; and to provide for matters incidental thereto.</p>
	<p>Skills Development Act, 1998 The Skills Development Act aims to expand the knowledge and competencies of the labour force in order to improve productivity and employment.</p>
	<p>The Preferential Procurement Policy Framework Act (PPPFA) Act No 5 2000 To give effect to section 217 (3) of the Constitution by providing a framework for the implementation of the procurement policy contemplated in section 217 (2) of the Constitution and to provide for matters connected therewith.</p>
	<p>The Broad-Based Black Economic Empowerment Act (BBBEE Act), Act No 53 of 2003 To 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 service.</p>
	<p>The State Information Technology Agency (SITA) Act, (Act No 88 of 1999, as amended by SITA amendment Act, Act No 38 of 2002) To provide for the establishment of a company that will provide information technology, information systems and related services to, or on behalf of, participating departments and in regard to these services, act as an agent of the South African Government; and to provide for matters connected therewith.</p>
	<p>Income Tax Act To consolidate the law relating to the taxation of incomes and donations, to provide for the recovery of taxes on persons, to provide for the deduction by employers of amounts from the remuneration of employees in respect of certain tax liabilities of employees, and to provide for the making of provisional tax payments and for the payment into the National Revenue Fund of portions of the normal tax and interest and other charges in respect of such taxes, and to provide for related matters</p>
	<p>National Treasury Regulations, 2005</p>
	<p>National Treasury Guidelines</p>
<p>National Treasury Practice Notes</p>	

8. ORGANISATIONAL STRUCTURE



9. ENTITIES REPORTING TO THE MEC

N/A

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

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE**2.1. Service Delivery Environment**

The Operating License and permits utilize the National Land Transport Information System (NLTIS) to operate on a daily basis at the Head Office and at three (3) external offices namely in Namakwa, John Taolo Gaetsewe and ZF Mgcawu Districts. With the essential equipment and communication networks and connectivity in place the Department delivered this essential services.

The three (3) external stakeholders, namely South African National Taxi Council (SANTACO), South African National Small Bus Operator Council (SANSBOC) and South African Network for Women in Transport (SANWIT) received financial assistance from the Department. The Department has also established a committee with these stakeholders to create a platform where issues of common interest are discussed to enhance the working relationship.

Six (6) schools have also benefitted from the Shova Kalula Bicycle Project with a total of six hundred (600) bicycles having been distributed to learners who reside more than 5 Kilometers away from the schools.

The Department continues to deliver services in the traffic law enforcement environment with a limited number of Traffic Officers. It must be noted that the last time the department had a intake of traffics was in 2008. The Northern Cape is spatially the largest province making it difficult to

police all the national roads effectively. The Department has however during the period under review appointed four (4) Traffics at Supervisor level and has received R10 million from Provincial Treasury to appoint traffic officers for the 2023/24 financial year.

2.2. Service Delivery Improvement Plan

The department has completed a service delivery improvement plan. The tables below highlight the service delivery plan and the achievements to date.

Main services and standards

Main Services	Beneficiaries	Current Standard of Service	Desired Standard of Service	Actual Achievement against Standards
1. Payment of suppliers within 30 days	Service providers (external clients)	Good	Good	98%
2. Leave management	Departmental employees	Good	Good	Leave taken 2022/23: Annual Leave = 9220 Sick leave = 2536 Family responsibility = 235 Leave without pay = 17 Total leave taken = 12008.00
3. Assessment of Community Police Forum (CPF) to strengthen and ensure Community Police relations	Community members	Good	Good	40 CPF's were assessed for functionality
4. The management and control of registering of transport operators and vehicles as well as the issuing of all licenses required	Public transport operators, appointed staff, commuting public	Good	Good	13 PRE-Hearings conducted

Main Services	Beneficiaries	Current Standard of Service	Desired Standard of Service	Actual Achievement against Standards
in terms of legislation				
5. Number of Abnormal loads Permits issued/Traffic Officials Escort of the loads	Public transport companies	Good	Good	8 033 Abnormal load permits issued leading to the collection of R15 571 951.75 of much needed revenue

Batho Pele Arrangements with beneficiaries (Consultation)

Current/Actual Arrangements	Desired Arrangements	Actual Achievements
Regional Operating License Offices – Arrangement with Directorate Regulation as well as Directorate Civilian Oversight - Agreements	Extend to Pixley-Ka-Seme District	Not Achieved

Service Delivery Information Tool

Current/Actual Arrangements	Desired Arrangements	Actual Achievements
Standard Operating Procedure (SOP) for the National Land Transport Act, Act 5 of 2009	Continue with the implementation of SOP and Business Process Map	Implementation of SOP

Complaints Mechanism

Current/Actual Arrangements	Desired Arrangements	Actual Achievements
Complaints and Suggestion Boxes	Complaints and Suggestion Boxes	No complaints received

2.3. Organisational Environment

The department operates in an extremely challenging compensation of employees' (COE) environment, one that is informed by a general reflection of the state of the national fiscus measures being implemented by National Treasury, as well as continued uncertainty over wage negotiations. Traditional mechanisms of retention and attraction through monetary means have been curtailed limiting the options available to the executive authority to e.g., recognise performance through monetary reward system. An appropriate response recognises that where needed, especially scarce skills would be aggressively acquired. In other areas, some level of reorganization of functions would be necessary to allow the department to continue to function at an optimum level within the curtailed COE environment.

Organisational Challenges

- Reduction in the Compensation of Employees Budget
- Non-filing of key positions is affecting service delivery

Organisational Successes

Empowerment remains high on the department development agenda, across all functions and programmes. Internal bursaries are awarded to qualifying employees in order to advance their careers to create pipelines in critical and difficult to occupy positions.

Resignations / Appointments:

- There were three (3) resignations that occurred during 2022/2023 financial year.

Strikes

National Health and Allied Workers Union held a strike over wage negotiations during the period under reporting.

2.4. Key Policy Development and Legislative Changes

The Department did not draft or introduce any new or amended legislation to the Executive Council or Legislature during the reporting period.

3. ACHIEVEMENT TOWARDS INSTITUTIONAL IMPACTS AND OUTCOMES

IMPACT STATEMENT	OUTCOME	OUTCOME INDICATOR	BASELINE	PROGRESS TOWARDS ACHIEVEMENT
All people in South Africa are and feel safe Safe, secure, accessible, affordable and reliable transport system	Improved Audit Outcome	Clean Audit Outcome	Unqualified Audit Outcome	Unqualified Audit Outcome
	Economic Empowerment of Marginalized Groups (Women, Youth and Persons with Disabilities)	Percentage Economic Empowerment of Marginalized Groups (Women, Youth and Persons with Disabilities)	30%	69%
	More decent jobs created and sustained with youth, women and persons with disabilities	Reduction in vacancy rate	15%	Less Than 10%
	Improved governance and accountability	System of lifestyle audit implemented	0	0
	Accountable Police Service	Increased percentage of service delivery complaints against APS resolved	54%	52%
	Increased feelings of safety in communities	Provincial Crime Prevention	1	1

IMPACT STATEMENT	OUTCOME	OUTCOME INDICATOR	BASELINE	PROGRESS TOWARDS ACHIEVEMENT
		Strategy implemented		
	Community participation in public policing	Functional CPF's implemented at police stations according to set guidelines	60 out of 91 police stations have functional CPF's	40 of the 91 police stations were assessed and deemed functional = 44%
	Improved access to integrated public transport system, and planning and investment	Planning authorities supported in the management of transport functions and systems	7 Integrated Transport Plans were developed within the baseline year of 2019/20	Provincial land Transport framework updated therefore no ITP's were drafted for 2022/23
	Improved turnaround time for processing of licenses	Reduction in the number of days to process licenses	The legislated number of days to issue an operator license and permit is 90 days	Longer than 365 Days
	Improved management and provision of subsidised public transport contracts	Increased percentage usage of public transport	61 Routes	61 Routes
	Increased economic growth	Oversight over transport	4 Projects	4 Projects

IMPACT STATEMENT	OUTCOME	OUTCOME INDICATOR	BASELINE	PROGRESS TOWARDS ACHIEVEMENT
	through Transport Infrastructure development and investment in the Northern Cape	infrastructure developments	<ul style="list-style-type: none"> • De Aar Warehouse • Boegoe Bay Small Harbour Development • Douglas Belmont Railway line • Upington Cargo Hub 	<ul style="list-style-type: none"> • De Aar Warehouse • Boegoe Bay Small Harbour Development • Douglas Belmont Railway line • Upington Cargo Hub
	Road fatalities reduced	Number of road fatalities	305	241

The department continues to utilise the services of a women owned travel agent that results in the achievement of 69%. The department must however endeavour to recruit more marginalized groups falling within the category of youth (18 to 35 years of age) as well as more persons with disability. There was a significant decrease in the vacancy rate.

The percentage of service delivery complaints against SAPS resolved decreased from 2021/22 (54%) to 52%. The Crime Prevention Strategy continues to be implemented with a joint effort between all partners and stakeholders contributing towards the reduction of crime. These include:

During the period under review there was achievement with regard to functional CPF's. The target of 30 was over-achieved by 10.

The Provincial Land Transport Framework (PLTF) which is an overarching strategy planning tool for the province relating to transport development and functions was updated during the period under review resulting in there being no Integrated Transport plans being developed.

The Department is not faring well in terms of the regulated number of days to issue operator licences and permits as the department does not have the requisite number of officials to assist with the administrative capturing of applications and the funding required for gazetting of the licences and permits. It must be noted that the Provincial Regulating Entity Board was also disbanded and a new Board is to be constituted.

The Department continues to provide subsidised public transport to the communities with the number of routes remaining constant at 61.

Department implemented a range of innovative initiatives to improve safety on our roads and in our communities to achieve the long-term vision of zero fatalities and zero serious injuries on our provincial roads, we have recorded for the period under review a significant reduction in the number of road fatalities standing at 241. The road safety education and awareness programmes will continue to focus on the broader community. These programmes include pedestrian safety and driver awareness. And through the Public Transport Inspectorate will ensure that transport transgressions such as illegal operations, overloading, unsafe driving and unroadworthy vehicles are addressed.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1. Programme 1

ADMINISTRATION

Purpose: To provide strategic leadership, financial organisational and administrative support services.

SUB-PROGRAMME: OFFICE OF THE CHIEF FINANCIAL OFFICER

ACHIEVEMENTS

- Appointment of ten (10) cashiers at the five traffic stations that are currently operating as registering authorities, and other identified municipalities. These cashiers are collecting revenue on behalf of the department.

CHALLENGES AND MEASURES TO OVERCOME

CHALLENGES AND CONCERNS	PROPOSED CORRECTIVE ACTIONS
Severe shortage of staff within the Office of the Chief Financial Officer	Recruit of relevant and qualified personnel

SUB-PROGRAMME: CORPORATE SERVICES

ACHIEVEMENTS

- The department absorbed as permanent employees a total of 64 security officials and administrative clerks combined who were on contract employ for more than 5 years. This has enabled the department to remain true to the commitment of government of creating decent work for our people.
- Processes to procure a building for the Namakwa district office have commenced. This will contribute to a reduction in the department's expenditure on rental of buildings.
- All senior managers have been vetted during the year under review which demonstrates the resolve of the Department of Transport, Safety and Liaison to contribute to the establishment of an ethical administration and by extension an ethical state.

- In an attempt to give life to the dictum of government to establish a developmental state, the department of Transport, Safety and Liaison awarded a total of 22 bursaries to departmental officials.
- The COVID pandemic, its resultant demise of livelihoods of many families, has exacerbated an already perilous mental health status of officials in the department. It is for this reason that the Employee Health and Wellness unit has prioritised intervention programmes in partnership with sector departments to provide support and coping mechanism to those who are challenged.
- Ethics training was conducted by the Public Service Commission for all officials in the department.
- Seven (7) Officials were capacitated in disability awareness and disability mainstreaming. This is a significant leap forward as the department gears itself towards effectively responding to the needs of people with special needs.
- Two (2) officials attended Labour Law Training.

CHALLENGES AND MEASURES TO OVERCOME

CHALLENGES AND CONCERNS	PROPOSED CORRECTIVE ACTIONS
Shortage of skills human resource incapacities	Development of employment equity plan and targeted recruitment of skilled officials in critical vacant posts
Lack of adequately qualified personnel in to manage ICT operations and security in the department	Identification of knowledgeable and capacitated officials in other provincial departments for transfer to DTSL
Information insecurity and breach in access control protocols	Training of all officials on document management and information security

Table1: Tabled Annual Performance Plan

Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/22	Planned Annual Target 2022/2023	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Improved Audit Outcome	Clean Audit Outcome	Clean Audit	Qualified Audit	Unqualified Audit	Unqualified Audit	Unqualified Audit	-	-
Improved Audit Outcome	Reduction of Irregular Expenditure	Percentage of Irregular Expenditure	0%	100%	0%	88%	88%	Attributed to the expired contracts of Public Transport Grant
Improved Audit Outcome	Reduction of Fruitless & Wasteful Expenditure	Percentage of Fruitless and Wasteful Expenditure	0%	100%	0%	0.32%	0.32%	Interest charged for late payment of Telkom Accounts, and Litigations
Improved Audit Outcome	No unauthorised Expenditure	Percentage unauthorised expenditure incurred in the previous financial year	0%	0%	0%	0%	-	-
Improved Audit Outcome	Maximum recovery of debt owed to	Percentage reduction	0%	0% Reduction	20%	0%	100%	Non-payment of debt by municipalities

DEPARTMENT OF TRANSPORT, SAFETY AND LIAISON – ANNUAL REPORT 2022/23

Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/22	Planned Annual Target 2022/2023	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
	the Provincial Department (MVL)	departmental debt (MVL)						
Economic Empowerment of “Marginalized” Groups (Women, Youth & Persons with Disabilities)	Expand government spend on women, youth and persons with disabilities through preferential procurement	Percentage procurement for women, youth and persons with disability	63%	49%	40%	69%	+29%	The Travel Management Agencies utilized by the Department are 100% women owned companies
Economic Empowerment of “Marginalized” Groups (Women, Youth & Persons with Disabilities)	Average days for payment of service providers, in particular SMME’s and Cooperatives	Percentage of service providers paid within 30 days	100%	98%	100%	99%	1%	<ul style="list-style-type: none"> Outstanding supporting documentation (SBD Forms) System closure; Cash flow constraints

DEPARTMENT OF TRANSPORT, SAFETY AND LIAISON – ANNUAL REPORT 2022/23

Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/22	Planned Annual Target 2022/2023	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Persons with Disabilities)								
More decent jobs created and sustained, with youth, women and persons with disabilities prioritised	Interns and learners recruited	Percentage of interns and learners recruited	0%	5%	5%	5%	-	
More decent jobs created and sustained, with youth, women and persons with disabilities prioritised	Persons with disabilities recruited	Percentage of persons with disability recruited	0%	0%	7%	2%	5%	No recruitment and selection conducted during the financial year due to budget constraints
More decent jobs created	Women employed in	Percentage of Women	0%	20%	50%	20%	30%	Selection process for the vacant and funded

DEPARTMENT OF TRANSPORT, SAFETY AND LIAISON – ANNUAL REPORT 2022/23

Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/22	Planned Annual Target 2022/2023	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
and sustained, with youth, women and persons with disabilities prioritised	SMS positions	employed in SMS positions						SMS positions still to be concluded
More decent jobs created and sustained, with youth, women and persons with disabilities prioritised	Employment of youth	Percentage Employment of youth	0%	0%	30%	7%	23%	No recruitment and selection conducted during the financial year due to budget constraints
Improved governance and accountability	Financial Disclosures conducted	Percentage of employees subjected to the e-disclosure	100%	97%	100% of all legislated personnel	97%	3%	Non-compliance to E-Disclosure Directive

DEPARTMENT OF TRANSPORT, SAFETY AND LIAISON – ANNUAL REPORT 2022/23

Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/22	Planned Annual Target 2022/2023	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
		financial interest audit						
Improved governance and accountability	Reduction in fraud and corruption	Percentage of cases resolved from the Anti-corruption hotline per quarter (PSC)	0%	0%	80%	0%	100%	Department did not receive any cases from the Anti-Corruption Hotline therefore could not conduct and resolve any investigations
Improved governance and accountability	Reduction in disciplinary cases	Percentage of disciplinary cases concluded within 90 days	0%	0%	100%	8%	92%	Complex investigations and shortage of presiding officers
Improved governance	Implemented system of employee	Percentage of performance	90%	75%	100%	92%	8%	Non-Compliance to the EPMDS Policy

DEPARTMENT OF TRANSPORT, SAFETY AND LIAISON – ANNUAL REPORT 2022/23

Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/22	Planned Annual Target 2022/2023	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
and accountability	performance management	agreements captured						

4.2. Programme 2

CIVILIAN OVERSIGHT

Purpose: To exercise oversight function with regard to law enforcement agencies in the province.

ACHIEVEMENTS

- Research conducted on the integrated Crime and Violence Project to determine the roles and responsibilities that Municipalities play in preventing violence in their respective municipalities. A National Draft Research Report will be published once the Minister of Police and Portfolio Committee have endorsed it.
- Court Watching Brief implemented in the province to conduct docket analysis on cases struck off the roll at the courts.

CHALLENGES AND MEASURES TO OVERCOME

CHALLENGES AND CONCERNS	PROPOSED CORRECTIVE ACTIONS
Increase in Gender Based Violence and Femicide in the province	Integrated and coordinated approaches are essential to address GBVF effectively where communities, civil society, religious groupings, and government departments will be mobilized to play a vital role in addressing the scourge
Lack of sufficient funding to implement integrated community safety programmes.	Integrated approach with other departments, sharing resources
Local Government commitment to establish Community Safety Forums (CSFs).	Enhancement of interactions with Local Government and SALGA

Table 2: Tabled Annual Performance Plan

Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/22	Planned Annual Target 2022/2023	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Accountable Police Service	Increased trust in the police	% of IPID recommendations implemented	100%	100%	100%	100%	-	-
Accountable Police Service	Increased trust in the police	Number if National Monitoring Tools Conducted	20	24	24	24	-	-
Accountable Police Service	Increased trust in the police	% of DVA Tools recommendations implemented	100%	100%	100%	100%	-	-
Increase feelings of safety in the communities	Community satisfaction surveys conducted to enhance safety in communities	Number of community satisfaction surveys completed	5	8	8	8	-	-
Increase feelings of	Social Crime Prevention	Number of social crime prevention	2	5	5	5	-	-

DEPARTMENT OF TRANSPORT, SAFETY AND LIAISON – ANNUAL REPORT 2022/23

Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/22	Planned Annual Target 2022/2023	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
safety in the communities	Programmes implemented to address the root causes of crime	programme implemented						
Increased feelings of safety in communities	Functional Victim Friendly Facilities at Police Stations	Number of Victim Friendly facilities assessed	91	91	91	93	+2	Additional assessments as part of the Executive Authority Outreach Programme
Increased feelings of safety in communities	Northern Cape School Safety Implementation Protocol Implemented	Number of School safety assessments conducted	0	60	91	92	+1	Additional assessment as part of the Executive Authority Outreach Programme to address bullying and drug use in schools

DEPARTMENT OF TRANSPORT, SAFETY AND LIAISON – ANNUAL REPORT 2022/23

Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/22	Planned Annual Target 2022/2023	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Community participation in public policing	Strengthen community partnerships	Number of police stations that have functional CPFs	New Indicator	26	30	40	+10	More CPF's were assessed to ensure that they are functional before Provincial AGM's
Community participation in public policing	Strengthen community partnerships	Number of municipalities that have functional CSFs	New Indicator	5	10	2	8	<ul style="list-style-type: none"> • Siyathemba LM and Hantam LM members to be inducted • Ubuntu and Emthanjeni LM need to be reviewed • Gamagara, Richtersveld and Nama Khoi LM in the process of establishing CSF's

DEPARTMENT OF TRANSPORT, SAFETY AND LIAISON – ANNUAL REPORT 2022/23

Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/22	Planned Annual Target 2022/2023	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
								<ul style="list-style-type: none"> Sol Plaatje needs to convert the Safer City Project into a Community Safety Forum
Community participation in public policing	Functional and active EPWP Safety Participants	Number of Work opportunities created through EPWP	105	72	72	72	-	

4.3. Programme 3

TRANSPORT OPERATIONS

Purpose: To plan, regulate and facilitate the provision of public transport services through cooperation with the National and Local Authorities, as well as the private sector in order to enhance the mobility of all communities particularly those currently without or with limited access.

ACHIEVEMENTS

- Completion of the Colesberg Taxi Rank roof structure project.
- The successful handing over of the taxi rank to the Umsobomvu Local Municipality.
- 600 Shova Kalula Bicycles with accessories were distributed
- Memorandum of Understanding were signed by Three (3) External Stakeholders namely SANTANCO, SANWIT and SANSBOC
- Successful Transport Month during the month of October

CHALLENGES AND MEASURES TO OVERCOME

CHALLENGES AND CONCERNS	PROPOSED CORRECTIVE ACTIONS
Insufficient allocation of funds for infrastructure Planning/Transport Systems	Proper allocation of funds for Transport Planning function, GIS/ necessities and infrastructure development
Lack of human resources in the unit	Recruitment of personnel with requisite skills and qualification. Review the organizational structure as per the demands of the unit.
Lack of transport function at municipalities	Encourage the establishment of the transport function at municipalities.

Table 3: Tabled Annual Performance Plan

Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/22	Planned Annual Target 2022/2023	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Improved access to integrated public transport system, and planning and investments	Increased transport access, planning and investments in the province	Number of Provincial Land Transport Frameworks developed	1	1	1	1	-	-
Improved turnaround time for processing of licenses	Increased Decentralised Operator License and Systems	Number of operative decentralised offices established	2	3	3	3	-	-
Improved turnaround time for processing of licenses	Increased PRE-Hearings	Number of PRE-Hearings conducted	8	12	12	13	+1	Additional PRE-Hearings held to address the backlog

DEPARTMENT OF TRANSPORT, SAFETY AND LIAISON – ANNUAL REPORT 2022/23

Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/22	Planned Annual Target 2022/2023	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Improved management and provision of subsidized public transport contracts	Seamless transportation and access for users	Number of routes subsidised	61	61	61	61	-	-
Increased economic growth through Transport Infrastructure development and investment in the Northern Cape Province	Increase in Provincial GDP	Number of Transport bankable business cases that reach TAlIA approval	2	2	2	2	-	-

4.4. Programme 4

TRANSPORT REGULATIONS

Purpose: To ensure the provision of a safe road environment through the regulation of traffic on public roads, law enforcement, the implementation of road safety campaigns and awareness programmes and the registration of and licensing of vehicles and drivers.

ACHIEVEMENTS

- Installation of Computerized Learner License Systems at 30 Driver License Testing Centres (sites) in the province
- Participated in the National Road Safety Debate and obtained position three (3) on Rural and Urban Categories
- Registered Ten (10) Provincial Traffic Stations as Registering Authorities thus able to assist Thousands of Motorists to renew their Motor Vehicle Licenses thus enhancing Service delivery and much needed Revenue Collection for the Province
- Successfully executed and concluded the project for laying of Paving bricks on the driving surface at the Springbok Weighbridge
- Appointment of Principal Provincial Inspectors at Colesberg, Richmond, Olifantshoek as well as Jankemp Provincial Traffic Stations
- Ten (10) Pro-Laser Speed Cameras were procured and delivered and 102 Traffic Officers trained on the use of the Cameras
- Ten (10) Double Cab LDV's were procured, delivered, branded and allocated to respective Traffic Stations

CHALLENGES AND MEASURES TO OVERCOME

CHALLENGES AND CONCERNS	PROPOSED CORRECTIVE ACTIONS
Insufficient Traffic Officers	Appointment of additional Traffic officers on Vacant Funded Posts
Weighbridges Maintenance	Seek financial resources to maintain weighbridges

Table 4: Tabled Annual Performance Plan

Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/22	Planned Annual Target 2022/2023	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Road fatalities reduced	Effective law enforcement	Number of vehicles stopped and checked	202 188	154 388	140 000	150 482	+10 482	More vehicles were stopped on the roads due to festive season operations
Road fatalities reduced	Effective law enforcement	Number of speed operations conducted	614	748	370	558	+188	More speed operations conducted during festive season to reduce road accidents
Road fatalities reduced	Effective law enforcement	Number of drunken driving operations conducted	572	548	320	640	+320	More drunken driving operations conducted during festive season to reduce road accidents and fatalities

DEPARTMENT OF TRANSPORT, SAFETY AND LIAISON – ANNUAL REPORT 2022/23

Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/22	Planned Annual Target 2022/2023	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Road fatalities reduced	Effective law enforcement	Number of vehicles weighed	New Indicator	New Indicator	30 000	18 421	11 579	The Colesberg weighbridge was not operational due to break-ins and repairs
Road fatalities reduced	Effective law enforcement	Number of PTI operational reports compiled	4	12	4	4	-	-
Road fatalities reduced	Effective road safety education for all road users	Number of road safety awareness interventions conducted	New Indicator	New Indicator	70	74	+4	More activities were conducted during the festive season with integrated partnerships
Road fatalities reduced	Effective road safety education for all road users	Number of pedestrian operations conducted	New Indicator	New Indicator	20	27	+7	More pedestrian operations conducted to ensure safety of the public
Road fatalities reduced	Effective road safety	Number of schools involved in road safety	New Indicator	New Indicator	60	72	+12	There was a need to visit pre-schools during school

DEPARTMENT OF TRANSPORT, SAFETY AND LIAISON – ANNUAL REPORT 2022/23

Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/22	Planned Annual Target 2022/2023	Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
	education for all road users	education programmes						holidays and prepare schools for holidays when learners are on the roads
Road fatalities reduced	DLTC's, VTS's and RA's complying to set regulations and standards	Number of compliance inspections conducted	New Indicator	New Indicator	40	40	-	-

Table 5: Strategy to Overcome Areas of Under-Performance

PROGRAMME	STRATEGY
Programme 1	<ul style="list-style-type: none"> • Recoup the funds from Provincial Treasury paid over for the Mega Project in Port Nolloth • Engage with the Economic and Fiscal Oversight Directorate at Provincial Treasury to discuss the development of a municipal debt recovery strategy, in an attempt to recover debt owed to the department by the municipalities • Training of Managers as presiding officers to address labour relations cases • Encourage compliance to the EPMDS Policy
Programme 2	Bilateral discussions between the Executive Authorities of both DTSL and COGHSTA where MEC (COGHSTA) will address the leadership of municipalities on this matter as well as other platforms such as SALGA Conferences and MUNMEC's
Programme 3	<ul style="list-style-type: none"> • Discussions and development of a "SMART" working plan for program • Development of technology
Programme 4	<ul style="list-style-type: none"> • The adjustment of working methodologies and schedules for Traffic Stations in order to overcome areas of under-performance • Enhance security at weighbridges to curb break-ins and thefts

Table 6: Linking Performance with Budget

Sub-Programme Name	2022/23			2021/22		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Administration						
Office of the MEC	15 086	15 038	48	12 655	12 655	0
Management	11 740	11 740	0	11 315	11 315	0
Financial Management	60 487	60 487	0	58 799	57 801	998
Corporate Management	51 151	51 151	0	44 895	44 743	152
Civilian Oversight						
Policy and Research	2 031	2 031	0	1 686	1 686	
Monitoring and Evaluation	4 104	4 104	0	3 728	3 728	0
Programme Support	15 484	14 635	849	14 885	12 920	1 965
Safety Promotion	3 852	3 852	0	3 625	3 625	0
Community Police Relations	5 444	5 444	0	4 606	4 595	11
Transport Operations						
Programme Support	2 175	2 175	0	1 762	1 762	0
Public Transport Services	66 834	61 616	5 218	68 812	63 549	5 263
Operator License and Permits	8 189	8 160	29	6 750	5 788	962
Transport Systems	3 305	3 305	0	3 410	3 138	272

DEPARTMENT OF TRANSPORT, SAFETY AND LIAISON – ANNUAL REPORT 2022/23

Sub-Programme Name	2022/23			2021/22		
	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
Infrastructure Operations	3 128	12 600	(9 472)	20 154	20 154	0
Transport Regulations						
Programme Support	2 914	2 194	0	2 031	2 031	0
Law Enforcement	91 189	91 126	63	82 904	74 603	8 301
Transport Administration and Licensing	10 064	10 064	0	9 595	9 595	0
Road Safety Education	3 291	3 291	0	2 598	2 598	0
TOTAL	360 468	363 733	(3 265)	354 210	336 286	17 924

5. TRANSFER PAYMENTS

There are four (4) types of transfer payments:

- The MEC's Discretionary Fund, where the Executive Authority provides assistance to persons making requests, upon which the necessary fund is provided;
- Subsidies to public transport service providers, as part of the Public Transport Operators Grant, which provides subsidy to commuters;
- Transfers to non-profit institutions to provide assistance to SANTACO, SANSBOC and SANWIT, to provide logistical support, in lieu of the operations and as a partner to the Department, in the regulation to the public transport:
- Transfers to households in the form of payment of leave gratuity to employees who left the employ of the department.

5.1. Transfer Payments to Public Entities

N/A

5.2. Transfer Payments to all Organisations other than Public Entities

N/A

6. CONDITIONAL GRANTS

6.1. Conditional Grants and Earmarked Funds Paid

The table below details the conditional grants and earmarked funds paid and received during the period 1st April 2022 to 31st March 2023.

Table 9:

Department to whom the grant has been transferred	Department of Transport, Safety and Liaison
<p>Purpose of the grant</p>	<ul style="list-style-type: none"> • Public Transport Operations Grant (PTOG) To provide supplementary funding towards public transport services provided by provincial departments of transport. • Expanded Public Works Programme (EPWP) To incentivize Provincial Social Sector Departments identified in 2018 Social Sector Log-Frame to increase job creation by focusing on the strengthening and expansion of social services programme that have employment potentials. • EPWP: Incentive Grant To increase job creation and reduce unemployment rate and ensure provision of infrastructure and transport assets.
<p>Expected outputs of the grant</p>	<ul style="list-style-type: none"> • Public Transport Operations Grant (PTOG) To provide affordable, safe and reliable transport to commuters in rural areas. • Expanded Public Works Programme (EPWP) Improve services delivery to community by expansion of promotion of community services and related social crime preventative programmes. • EPWP: Incentive Grant To increase job creation and reduce unemployment rate and ensure provision of infrastructure and transport assets.
<p>Actual outputs achieved</p>	<ul style="list-style-type: none"> • PTOG – 61 Different contracted bus companies were able to render an affordable, safe and reliable public transport service to underprivileged communities

Department to whom the grant has been transferred	Department of Transport, Safety and Liaison
	<ul style="list-style-type: none"> 72 EPWP safety participants were recruited and placed at 28 crime-weight police stations in the province to implement social crime prevention programmes
Amounts per amended DORA (R'000)	<ul style="list-style-type: none"> PTOG: R63 581 000 EPWP-Social Sector: R 1 509 000
Amount transferred (R'000)	<ul style="list-style-type: none"> PTOG: R63 581 000 EPWP-Social Sector: R 1 509 000
Reasons the amount as per DORA was not transferred	Not Applicable
Amount spent by Department (R'000)	<ul style="list-style-type: none"> PTOG: R58 363 000 EPWP-Social: R1 508 000
Reasons for funds unspent by the entity	<p>Public Transport Operations Grant (PTOG)</p> <ul style="list-style-type: none"> Payments of service rendered in March (last month of the financial period), will be processed in the new financial period <p>EPWP: Social Sector</p> <ul style="list-style-type: none"> The EPWP volunteers that were appointed, using the EPWP Grant, receives remuneration based on the actual number of days they worked. The unspent portion of the Grant is due to volunteers who did not work the required days, resulting in their remuneration being less than the budgeted amount.
Monitoring mechanism by the transferring department	<p>Public Transport Operations Grant (PTOG)</p> <ul style="list-style-type: none"> Monthly performance reports submitted by receiving department (PTOG Framework) <p>EPWP: Social Sector and Incentive Grants</p> <ul style="list-style-type: none"> Bi-monthly Social Sector Steering Committee meetings coupled with site visits to verify EPWP Safety Participants.

6.2. Conditional Grants and Earmarked Funds Received

Table 10:

Department who transferred the grant	Department of Transport, Safety and Liaison
Purpose of the grant	<ul style="list-style-type: none"> • Public Transport Operations Grant (PTOG) To provide supplementary funding towards public transport services provided by provincial departments of transport. • Expanded Public Works Programme (EPWP) To incentivise Provincial Social Sector Departments identified in 2018 Social Sector Log-Frame to increase job creation by focusing on the strengthening and expansion of social services programme that have employment potentials. • EPWP: Incentive Grant To increase job creation and reduce unemployment rate and ensure provision of infrastructure and transport assets.
Expected outputs of the grant	<ul style="list-style-type: none"> • Public Transport Operations Grant (PTOG) To provide affordable, safe and reliable transport to commuters in rural areas. • Expanded Public Works Programme (EPWP) Improve services delivery to community by expansion of promotion of community services and related social crime preventative programmes. • EPWP: Incentive Grant To increase job creation and reduce unemployment rate and ensure provision of infrastructure and transport assets.
Actual outputs achieved	<ul style="list-style-type: none"> • PTOG – 61 Different contracted bus companies were able to render an affordable, safe and reliable public transport service to underprivileged communities • 66 EPWP safety participants were recruited and placed at 28 crime-weight police stations in the province to implement social crime prevention programmes
Amounts per amended DORA (R'000)	<ul style="list-style-type: none"> • PTOG: R63 581 000 • EPWP-Social Sector: R 1 509 000
Amount received (R'000)	<ul style="list-style-type: none"> • PTOG: R63 581 000 • EPWP-Social Sector: R 1 509 000

Department who transferred the grant	Department of Transport, Safety and Liaison
Reasons is amount as per DORA was not received	<ul style="list-style-type: none"> • Not Applicable
Amount spent by Department (R'000)	<ul style="list-style-type: none"> • PTOG: R58 363 000 • EPWP-Social: R1 508 000
Reasons for funds unspent by the entity	<p>Public Transport Operations Grant (PTOG)</p> <ul style="list-style-type: none"> • Payments of service rendered in March (last month of the financial period), will be processed in the new financial period <p>EPWP: Social Sector</p> <ul style="list-style-type: none"> • The EPWP volunteers that were appointed, using the EPWP Grant, receives remuneration based on the actual number of days they worked. • The unspent portion of the Grant is due to volunteers who did not work the required days, resulting in their remuneration being less than the budgeted amount.
Monitoring mechanism by the receiving department	<p>Public Transport Operations Grant (PTOG)</p> <ul style="list-style-type: none"> • Monthly performance reports submitted by receiving department (PTOG Framework) <p>EPWP: Social Sector and Incentive Grants</p> <ul style="list-style-type: none"> • Bi-monthly Social Sector Steering Committee meetings coupled with site visits to verify EPWP Safety Participants.

7. DONOR FUNDS

No donor funds received for the period under review.

8. CAPITAL INVESTMENT

8.1. Capital Investment, Maintenance and Asset Management Plan

N/A

PART C: GOVERNANCE

1. INTRODUCTION

The Department is committed to maintaining the highest standards of governance that are fundamental to the management of public finances and resources. Effective governance structures allow the Department to create value, through innovation, development and exploration, and provide accountability and control systems adequate with the risks involved.

The department has put systems and processes in place, from recruitment of employees, to procurement of goods and services, right through to the disbursements and expenditure of public funds. These measures seek to address complete compliance with statutory requirements and the continuous provision of services to the public.

In this instance the department is in the process of reviewing the organisational structure (organogram) which, when approved will seek to address the human resource needs and performance efficiencies in the Department. We have adopted and approved a Supply Chain Management Policy to procure goods and services within the prescripts of the law. We have further created structures to manage risks within the department, and to ensure that fraud and corruption is eliminated.

The department has established committees that are tasked to monitor good governance. These include Audit Committee, Risk Management Committee, Policy Committee, and SCM Bid Committees.

2. RISK MANAGEMENT

The department has an approved Risk Management Policy together with the Risk Management Strategy which were recommended by the Risk Management Committee (RMC) for approval.

The department holds quarterly strategic and operational risk assessments which deal with the latest risks experienced by the different units in the department. The strategy does not seem to be bearing fruit when it comes to monitoring of the risks as the units are not complying with submission of Portfolio of Evidence (POE's) to validate the implementation of mitigation strategies.

The RMC through the chairperson, is doing what is possible under the circumstances. The challenge is that the SMS officials responsible for non-compliance as far submission of the PoEs are concerned are members of the RMC. The Audit Committee does advise the department properly. They do also express frustration with non-compliance emanating from most of the Directorates. The maturity as far as responsibilities attached to risk management is concerned is low. The attendance of units to planned risk assessments schedules is poor. As highlighted above, the situation with the submission of PoEs is poor. The issues are reported to the Accounting Officer for consequence management. Training for managers on Risk Management is also canvassed from the Provincial Treasury.

3. FRAUD AND CORRUPTION

The Department has an approved Fraud Prevention and Ethics Management Strategy in place. There are mechanisms in place for reporting fraud and corruption. The department has a Unit, Traffic Inspectorate, that receives reports on alleged corrupt activities at DLTC's, RA's and the Operating Licence and Permit Section that need to be investigated. There were no cases received from the Public Service Commission, Office of the Premier nor the National Anti-Corruption Hotline for the period under review.

4. MINIMISING CONFLICT OF INTEREST

Supply Chain Management practitioners and all Deputy Directors are required to declare their financial interests in any companies they may hold shares in, or, where they may have family members, who would wish to do business with the Department.

Furthermore, in order to do away with personal conflict of interest, Government has forbidden all officials from doing business with Government departments, irrespective of department or province.

All persons who submit tender bids to Government departments, are required to complete the relevant forms: SB4, SB8 and SB, wherein they declare their business interests and business

relations. In this way, persons working for Government are revealed, and are immediately brought to account.

Members serving on the department's Supply Chain Management Committees, are required to complete a "declaration of interest", wherein they reveal their business interests, outside of the Department. This enables the Accounting Officer to decide where an official may be placed, where he/she will not compromise both himself/herself and the Department's transparent processes.

DPSA requires that all Senior Managers, Deputy Directors, and Supply Chain Management Practitioners complete an online e-disclosure of financial interests. Officials that fail to comply with the requirement are subjected to consequence management.

All employees that were required to complete the e-disclosures complied as required.

- SMS: A total of 8 senior managers disclosed their financial interests in line with the Department of Public Service and Administration guidelines and directives.
- Deputy Directors Level 12 were exempted from disclosing their financial interest for the period under review.
- Deputy Directors Level 11 were not required to declare their financial interests in the 2022/23 financial year.
- A total of 40 officials from on levels 9 and 10 disclosed for the period under review
- 29 Supply Chain Management and Finance officials disclosed their financial interest on the e-disclosure system.

5. CODE OF CONDUCT

The Department relies on the Code of Conduct for the Public Service to promote a high standard of professional ethics and behaviour in the Department. The Code of Conduct enshrines the values and principles enunciated in Chapter 10 of the Constitution of the Republic, viz accountability, professionalism and development-oriented workforce.

As a positive responsibility, the Department has developed and continuously implements programmes aimed at promoting compliance with the Code of Conduct and ethical behaviour. Since the primary purpose of the Code of Conduct is to promote discipline and exemplary conduct, any instance of deviation from the expected conduct and behaviour by officials is visited as misconduct.

6. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

The Occupational Health and Safety Act 85 of 1993 (OHSA) makes it mandatory for employers to create and maintain a working environment that is risk-free to the health of their employees and to ensure that its environment is kept in good condition at all times. It is the responsibility of the Department of Transport, Safety and Liaison to develop and maintain working environments, as well as methods and processes, that are secure and do not put the health of the workforce at risk. In the course of producing, processing, using, manipulating, storing, and transporting items and chemicals, the employer is obligated to guarantee the absence of hazards and the protection of officials' health and safety.

Whilst a Safety, Health, Environment, Risk, and Quality (SHERQ) committee has been established in the department with an expressed responsibility to improve occupational health and safety through controlling health hazards in the workplace and to guide the department on how manage risks; eliminate illness, diseases and accidents, the department was not able to provide training to the members of the committee. This has severely incapacitated the committee to respond to the health hazards at the provincial office building.

All floors at the provincial office building, district offices and traffic vehicles have been fitted with first aid kits, while training for all identified officials will commence in the new financial year. All district offices are challenged with environmental health and safety hazards that have culminated in employees expressing feelings of insecurity. A comprehensive wellness plan will be developed in the new financial year to address the SHERQ challenges experienced in the department.

7. PORFTOLIO COMMITTEE

Date of Meeting	Matters Raised	Response
<p>2nd June 2022 Presentation of APP 2022/23</p>	<p>Ensure that they decentralize the operating licenses and permits office to the remaining two (2) regions to avoid long distance travels and congestions.</p>	<p>The Department has effectively decentralised the operating licences and permits offices to the John Taolo Gaetsewe, ZFM and Namakwa Districts thereby bringing the services closer to the people.</p> <p>The last District to decentralise to is the Pixley-Ka-Seme District. The Department is in the process of identifying a most accessible location, office as well as the human resource process that must ensue. The proposed newly decentralised office must also be considered in the light of the impact on the already constrained fiscus of the Department and Province as a whole.</p> <p>Updated progress reports will be availed to the Portfolio Committee on a regular basis.</p>
	<p>Develop a plan on how they will roll out the clean audit outcomes and consider sanctions with disciplinary action for non-compliance where necessary.</p>	<p>Through Operation Clean Audit (OPCA) the Department received an unqualified audit for the financial year 2021/22 with matters. An Audit Action Plan has been drafted and is being monitored on a monthly basis with regular progress reports to the Audit Committee. The Department has further identified audit champions in various directorates who will meet quarterly to discuss the progress towards the achievement Operation Clean Audit 2022/23.</p>
	<p>Ensure that the two critical posts of CFO and SCM are strengthened and filled, as the organizational structure is already approved.</p>	<p>The post of Chief Financial Officer is in the process of being advertised and will be done so within the month of September 2022. The post of Deputy Director for Supply Chain Management is in the process of being Job Evaluated and thereafter will follow the approval process to Provincial Treasury for concurrence of funding and endorsement of</p>

DEPARTMENT OF TRANSPORT, SAFETY AND LIAISON – ANNUAL REPORT 2022/23

Date of Meeting	Matters Raised	Response
		the post by Office of the Premier prior to advertising of the post. It is envisaged that this post will be filled before the end of the financial year pending the approval process.
7 th September 2022 1 st Quarter Report 2022/23	The limited number of traffic officers and yet many are being utilised to do administrative work in the offices. The department to ensure that traffic officers are optimally utilised to man the roads of the northern cape and lesser numbers in the offices.	<p>The province has about 106 Traffic Officers located at the 10 Provincial Traffic Stations in all Districts. Over and above the deployment of the limited Traffic Officers to conduct law enforcement on our roads, they are also being deployed to:</p> <ol style="list-style-type: none"> 1. Escort abnormal loads, 2. Deployment at Driver License Testing Centres as well as at Vehicle Testing Stations <p>These aforementioned responsibilities may be seen as Office administration; however, they are critical for delivery of services to our communities.</p> <p>The Department has submitted a Bid during the PMTEC Process and are awaiting the outcome. The Department is also continuously engaging the Road Traffic Management Corporation (RTMC) for deployment of additional capacity.</p>
	Serious crime is on the rise in the province, especially GBV. The department to ensure that SAPS intensify its programmes that assist in curbing crime wit GBV ranking high on the crime list	<p>Total Contact Crime Statistics (crimes against the person) in the Northern Cape indicates an overall decrease of 1.4% with 3651 cases reported to SAPS for the 1st quarter of the 2022/23 financial year compared to the 3701 case crimes reported to SAPS for the 1st quarter of the 2021/22 financial year.</p> <p>During the first quarter of the 2022/23 financial year the department focused mainly on stop gender-based violence programmes in order to address the scourge. The department</p>

Date of Meeting	Matters Raised	Response
		<p>concentrated on the Rise and Speak-Up Awareness Campaign that addressed the following:</p> <ul style="list-style-type: none"> • Assessment of the functionality of Victim Friendly Facilities to determine the current services rendered to victims of crime at these facilities. • Support to the South African Police Services to treat victims of crime with respect, dignity, and sensitivity and, at all costs, ensure that they are protected against secondary victimisation. • Embarking on a gender-based violence advocacy campaign to inform, educate and support communities on gender-based violence and how to deal with it. <p>Victim Friendly Facilities (VFFs) Assessments were conducted at twenty-three (23) police stations to determine their functionality. Main findings from the assessments are summarized as follows:</p> <ul style="list-style-type: none"> • 91% of all VFFs accessed were functional. • In the two police stations where there were no VFFs, police members try to take statements in privacy such as in available offices.

8. SCOPA RESOLUTIONS

Resolution No.	Subject	Response by the Department	Resolved
1	<p>Achievements in the annual performance is verifiable and credible by implementing three levels of review. As such submission within 30 days is required of an Implementation Plan on a framework for the compilation of financial statements that details capacity, frequency, timing, methodology and assurance</p>	<p>The Department has established a review process of annual financial statements that provides an overview on assurance measures that were put in place to ensure the accuracy and reliability of the financial statements.</p> <p>The Department is facing challenges in terms of having sufficient personnel or technological resources dedicated to the review process. This can lead to delays or inefficiencies in the review process. There is a need to upskill the team that is involved in the review process of the annual financial statement. Provincial Treasury has seconded two of their officials with the required skills and expertise to assist the Department in the review process of the annual financial statement</p> <p>Assurance Measures: Put in place controls and checks to ensure the accuracy and reliability of the provided information. This could include internal reviews or other forms of oversight.</p>	Yes
2	<p>The Internal Audit Unit must on a quarterly basis submit a Report to the committee that monitors, tracks and traces unauthorised, irregular, and fruitless</p>	<ul style="list-style-type: none"> The internal audit function is a shared function, therefore internal audit does not have capacity to monitor, track and trace unauthorised, irregular and fruitless expenditure. 	Yes

Resolution No.	Subject	Response by the Department	Resolved
	and wasteful expenditure for inclusion in the Consequence Management Report	<ul style="list-style-type: none"> • The Department has established a Loss Control Committee to deal with issue of UIF expenditure. • The committee is composed of representatives from various directorates or units within the Department, and is set to meet on a regular basis to review and discuss any issues that have arisen. <p>Assurance measures:</p> <ul style="list-style-type: none"> • Before a payment is to be effected on the accounting system, there must be an official to initiate the process, this person is the compiler, the compiler is responsible to verify all the procurement documentation in order to initiate the payment to a service provider. • Subsequent to the compilation of the payment batch the next official on the value-add chain, through the use of checklist will confirm that which was supposed to be attached on the payment batch is in fact attached. • The checker ensures that all expenditures are in compliance with applicable laws and regulations. • When the Payment is checked and verified, the authoriser will then authorise for the payment batch to be captured on the accounting system 	

DEPARTMENT OF TRANSPORT, SAFETY AND LIAISON – ANNUAL REPORT 2022/23

Resolution No.	Subject	Response by the Department	Resolved
3	The Internal Audit Unit must on a quarterly basis submit a Consequence Management Progress Report to the Committee that monitors implementation of consequence management (disciplinary steps) against officials who have incurred unauthorised, irregular, fruitless and wasteful expenditure	<ul style="list-style-type: none"> • The internal audit function is a shared function, therefore internal audit does not have capacity to monitor, track and trace unauthorised, irregular and fruitless expenditure. • The Department has established a Loss Control Committee to deal with issue of UIF expenditure. • The committee is composed of representatives from various directorates or units within the Department, and is set to meet on a regular basis to review and discuss any issues that have arisen. <p>Assurance measures:</p> <ul style="list-style-type: none"> • Before a payment is to be effected on the accounting system, there must be an official to initiate the process, this person is the compiler, the compiler is responsible to verify all the procurement documentation in order to initiate the payment to a service provider. • Subsequent to the compilation of the payment batch the next official on the value-add chain, through the use of checklist will confirm that which was supposed to be attached on the payment batch is in fact attached. • The checker ensures that all expenditures are in compliance with applicable laws and regulations. 	Yes

DEPARTMENT OF TRANSPORT, SAFETY AND LIAISON – ANNUAL REPORT 2022/23

Resolution No.	Subject	Response by the Department	Resolved
		<ul style="list-style-type: none"> When the Payment is checked and verified, the authoriser will then authorise for the payment batch to be captured on the accounting system 	
4	Ensure that the Internal Audit Unit Function monitors and implements the recommendations of the Audit Action. As such, the department must submit on a quarterly basis a report that monitors and evaluates the implementation of an Audit Action Plan	<ul style="list-style-type: none"> The Audit Action Plan is aimed at eliminating or mitigating the root causes of audit findings, as were/had been communicated by the Auditor General, through the Audit and Audit Management reports; It is the duty of management to identify root causes, to design and implement processes, together with requisite internal controls, as corrective action, to eliminate the re-occurrence of the audit findings; Corrective actions should, on a quarterly basis, be evaluated by the compliance officer, for effectiveness, who verifies and validates the processes, as have been implemented by the Department <p>Assurance measures:</p> <ul style="list-style-type: none"> Regular progress reports: These are used to track progress against the action plan and identify any issues or challenges that need to be addressed. Key performance indicators (KPIs): These are used to measure the success of the action plan and ensure that it is meeting its objectives. 	Yes

DEPARTMENT OF TRANSPORT, SAFETY AND LIAISON – ANNUAL REPORT 2022/23

Resolution No.	Subject	Response by the Department	Resolved
		<ul style="list-style-type: none"> • Stakeholder engagement: Involving stakeholders in the monitoring and evaluation process can help ensure that the action plan is aligned with the needs and priorities of the Department. • Internal review: This can involve conducting periodic reviews of the action plan to assess its effectiveness and make any necessary adjustments. • External review: This can involve engaging an external party to review the action plan and provide feedback on its implementation. 	

9. PRIOR MODIFICATION TO AUDIT REPORTS

- Report to Senior Management and Audit Committee o progress regarding resolutions of audit findings;
- Verification of transactions, and compliance with due process, prior to committing, so as to avoid the need for remedial process, afterwards;
- Submission of compliance reports, to Provincial Treasury, to confirm that the business of the Department is run in an orderly and compliant manner, with due regard for set standards of operation;
- Compilation of quarterly interim financial statements, so as to become familiar with the reporting templates, as well as the requisite supportive documents.

Matters raised do not include those already addressed through the Audit Action Plan

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matters
<p>None All matters raised, are dealt with as part of the audit action plan</p>		

10. INTERNAL CONTROL UNIT

The Executive Council of the Northern Cape Provincial Government has established an Internal Audit Unit (Internal Audit) to provide internal audit services to all 11 departments, 6 listed public entities and one trading entity within the province. The shared Internal Audit Unit is divided into 4 clusters, Department of Transport, Safety and Liaison being serviced by the Internal Audit Unit – Public Works Cluster. The IAU is an independent, objective assurance and consulting activity designed to add value and improve the client’s operations.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

Internal Audit Mandate

The Internal Audit Unit was established according to the Public Finance Management Act, 1999 (Act No 1 of 1999) section 38(a)(ii) which requires that the accounting officer establish a system of internal audit under the control and direction of an audit committee. Internal Audit assisted the department and management with the achievement of their objectives and remains a vital part of the department's governance and combined assurance structures. Internal Audit is the primary independent assurance provider on the adequacy and effectiveness of the department's governance, risk management and control structures, systems and processes. Internal audit operates in general conformance to the International Standards for the Professional Practice of Internal Audit (Standards).

Annual internal audit assurance statement

Internal Audit assurance can only be reasonable and not absolute and does not supersede the departments' and management's responsibility for the ownership, design, implementation, monitoring and reporting of governance, risk management and internal controls.

Independence and authority

The independence of internal audit is considered by the Chief Audit Executive and Audit Committee on an ongoing basis. It has been determined and confirmed that Internal Audit has remained independent of all operational functions and that the functional reporting to the Audit Committee and administrative reporting to the Treasury Head of Department have enabled appropriate organisational positioning. A shared internal audit model is in place, stationed in Provincial Treasury and operates in 4 clusters of 3 departments each. This contributed positively to independence. Internal Audit has access to all stakeholders as well as free and unrestricted access to all areas within the department.

Key activities of the internal audit:

The following internal audit work was completed during the year under review:

- Completeness and adequacy of the Auditor-General audit rectification plan
- Follow-up audit on the Auditor-General audit rectification plan implementation
- Review of the draft Annual Financial Statements – 31 March 2023
- Review of the draft Annual Performance Report – 31 March 2023
- Review of the 6-month Interim Financial Statements
- Performance information quarterly report review
- Irregular Expenditure Framework Compliance review
- Risk, fraud and ethics management review
- Asset management
- Weighbridge operations
- Abnormal load permits
- Follow-up on key risk mitigation – corporate services
- ICT governance review
- Traffic station operations review
- Provincial Transport Operators Grant review

The internal audit unit also attended and contributed to the departmental risk management committee meetings and management meetings.

Audit Committee**Key activities and objectives of the audit committee:**

The Executive Council of the Northern Cape Provincial Government has established Cluster Audit Committees for the 12 Provincial Departments, 6 listed public entities and one trading entity. The Public Works Cluster Audit Committee deals with 3 departments and one trading entity including the Department of Transport, Safety and Liaison. The Audit Committee assists the department by providing advice relating to the reporting process, the system of internal control, the risk management processes, the internal and external audit process and the departments processes for monitoring compliance with laws and regulations and the code of conduct.

The Audit Committee consists of the members listed below. It meets as frequent as mandated by the approved Audit Committee charter and as often as it deems necessary. The AC also provided the MEC with a written report subsequent to the AC meetings to ensure the executive is informed about matters of concern.

During the financial year under review, 4 meetings were convened as per its charter including a meeting convened to discuss rectification plan status of implementation.

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

The term of audit committee members is three years with an opportunity to be renewed for another 3-year term. The audit committee members and their attendance are:

Name	Qualifications	Internal or external	If internal, position in the department	No. of Meetings attended
Viren Magan	B. (Compt), CA(SA)	External	n/a	4
George Higgins	B. Com, B Com Honours (Tax), CA(SA)	External	n/a	4
Tembela Mnqeta	Risk certification and Project Management	External	n/a	4
T Monoametsi	BCom, in Accounting and Auditing; BCom in Risk Management; Masters in Business Leadership, Majoring in Supply Chain Masters in Business Administration, Majoring in Agile Supply Chain	Internal	Director – SCM	3

12. AUDIT COMMITTEE REPORT

12.1. REPORT OF THE AUDIT COMMITTEE

The Audit Committee was operational throughout the year and had several engagements with management on crucial financial management, internal control, risk management and governance issues during the year. The Audit Committee acknowledges the attendance and participation of senior management including the Accounting Officer in the Audit Committee meetings. We are pleased to present our report for the financial year ended 31 March 2023.

12.2. AUDIT COMMITTEE MEMBERS AND ATTENDANCE

In terms of PFMA, section 77(b), an Audit Committee must meet at least twice a year. In addition, Treasury Regulations, section 3.1.16, provides that an Audit Committee must meet at least annually with the AGSA. The Audit Committee met four times during the year in compliance with the PFMA and the Audit Committee charter.

12.3. AUDIT COMMITTEE RESPONSIBILITY

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

12.4. THE EFFECTIVENESS OF INTERNAL CONTROLS

From the various reports and assessments of internal audit, it can be concluded that the internal control environment is not adequate and not effective. The Chief Financial Officer position and other key positions in the office of the Chief Financial Officer were vacant for the majority of the financial year and impacts on the adequacy and effectiveness of the control environment.

Governance

- Key executive management and senior management positions were vacant and filled for extended periods with acting officials.
- The governance committees related to fraud and ethics management did not function for the year under review.
- Investigations by the HAWKS continue into operator licences and permits and the Audit Committee received quarterly feedback on the status of the investigations.
- Consequence management processes have not commenced or concluded subsequent to various instances of non-compliance, irregular expenditure, fruitless and wasteful expenditure.
- Audit rectification plans were developed but not implemented on time resulting in various repeat audit findings by internal and external auditors.
- Delegations within the department were not made to operational levels resulting in procurement and other operational decisions being made at provincial level. This impacts on efficiency of operations.

Risk management

- The risk management committee was operational for the year under review and reported quarterly to the Audit Committee.
- Risk mitigation strategies did not result in risks being mitigated to acceptable levels.
- The department faces reputational risk due to continued supply chain management non-compliance and negative media reports.

Internal controls

- Due to the break-down of controls and significant control weaknesses reported and material incidents that need to be corrected, the system of internal control cannot be relied upon to provide assurance that business objectives will be met.

Information Technology governance and controls

- Information technology governance was found not to be adequately designed and implemented with repeat deficiencies being reported.
- Certain information technology controls related to security, information technology service continuity and user access management were not effectively designed and implemented.

Follow up audits are a strong governance and risk management practice, included in the Internal Audit Charter and in the International Standards for the Professional Practice of Internal Auditing, therefore internal audit has also performed follow up audits. Even though management has developed an action plan to address the control weaknesses identified by internal audit and AGSA, we are concerned that implementation thereof has not been proactive to address the matters resulting in repeat audit findings from the internal and external audit teams.

12.5. IN-YEAR MANAGEMENT AND MONTHLY/QUARTERLY REPORT

The department has been reporting monthly and quarterly to the Treasury as required by the PFMA.

We had engagements with management to provide clarity on completeness and quality of the monthly and quarterly reports during our quarterly meetings and officials were able to clarify areas of concern raised by the Audit Committee. Furthermore, the implementation of recommendations of the Audit Committee was tracked in the quarterly Audit Committee meetings.

A key concern remains outstanding debt owed to the department by municipalities acting as agents for the motor vehicle licensing and registration. Planned interventions to increase recovery from the agents were not yet implemented resulting in the debt continuing to increase year on year.

12.6. INTERNAL AUDIT

The Audit Committee is satisfied as to the effectiveness of the internal audit function during the year and that the internal audit function has to a large extent audited the risks pertinent to the department. The internal audit function continues to function with one vacancy at deputy director level, one vacancy on assistant director level and two vacancies on auditor level.

We have reviewed the department's implementation plan for audit issues raised in the prior year and we are concerned that prior year non-compliance matters related to irregular expenditure and making payments within 30 days have not been adequately resolved.

The following internal audit work was completed during the year under review:

- Abnormal Load Permits
- Asset Management
- Completeness and adequacy of the AGSA Audit Rectification Plan
- Follow-up audit on the AGSA Audit Rectification Plan Implementation
- Follow-up on Key Risk Mitigation – Corporate Services
- ICT Governance
- Irregular Expenditure Framework Compliance
- Performance Information
- Provincial Transport Operators Grant
- Review of the 6-month Interim Financial Statements
- Review of the draft Annual Financial Statements
- Review of the draft Annual Performance Report
- Risk, Fraud and Ethics Management
- Traffic Station Operations
- Weighbridge Operations

12.7. EVALUATION OF AUDITED FINANCIAL STATEMENTS AND PERFORMANCE REPORT

The Audit Committee has reviewed the audited financial statements and performance report for the year ended 31 March 2023 and has discussed matters of concern with the Accounting Officer, management and the AGSA.

The Audit Committee has reviewed the AGSA's audit report, management report and management response thereto and directed management to develop a comprehensive action plan to address all issues raised by the AGSA. The Audit Committee will review the action plan and monitor implementation thereof during the next years' quarterly Audit Committee meetings.

The Audit Committee has reviewed the accounting policies applied in the compilation of the annual financial statements and is satisfied that the policies are consistent with those of prior year, have been consistently applied and are in accordance with the Modified Cash Standard, although the Audit Committee notes differences of opinion between the Department and the AGSA.

The Audit Committee reviewed the department's compliance with legal and regulatory provisions during the quarterly Audit Committee meetings and management has been directed to implement remedial measures where instances of non-compliance were noted. The Audit Committee noted with concern that the department continued to incur irregular expenditure without remedial actions or consequence management processes.

The Audit Committee has reviewed the information on predetermined objectives to be included in the annual report as part of the review of the financial statements. The Audit Committee directed that the department engage the AGSA to ensure internally generated portfolio of evidence is sufficient and appropriate for external audit purposes.

12.8. AGSA SOUTH AFRICA

The Audit Committee concurs with the findings on the reported performance information; financial statements as well as the findings from non-compliance with relevant laws and legislation. The Audit Committee is of the view that the audited financial statements be accepted and read together with the report of the external auditors. The Audit Committee confirms that it has been actively involved throughout the audit process and has been thoroughly appraised of the issues giving rise to the audit opinion.

The Audit Committee commended the AGSA team and department for early audit on completeness of irregular expenditure, prior to 31 March 2023, resulting in complete disclosure and improved quality of the annual financial statements on 31 May 2023.

The external audit function, performed by the AGSA, is independent of the Department. The Audit Committee has met with the AGSA to ensure that there are no unresolved issues and acknowledges the diligence and cooperation of the external audit team.

12.9. REPORTING

The Audit Committee reported quarterly to the Member of the Executive Council and the Head of Department. The Member of the Executive Council has a standing invite to the Audit Committee meetings and the Head of Ministry regularly attends Audit Committee meetings.

The Audit Committee wishes to thank all the stakeholders for their cooperation and assistance.



Viren Magan CA(SA) CIA MBL

Chairperson of the Audit Committee

Date: 16 August 2023

13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

Has the Sphere of Government / Public Entity / Organ of State applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Circle relevant answer	Attachment
Determining qualification criteria for the issuing of licences, concessions or other authorizations in respect of economic activity in terms of any law	Yes / No	Yes
Developing and implementing a preferential procurement policy	Yes / No	Yes
Determining qualification criteria for the sale of state-owned enterprises	Yes / No	Yes
Developing criteria for entering into partnerships with the private sector	Yes / No	Yes
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment	Yes / No	Yes

PART D: HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

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

2. OVERVIEW OF HUMAN RESOURCES

Status of Human Resources in the Department

- The department experienced a high vacancy rate in critical positions such as finance, human resource administration, traffic officers and transport economists, amongst others. The ability of the department to fill these critical positions has been delayed by the cumbersome process adopted by provincial government to fill vacant and funded posts.
- The department has been finding it difficult to meet its disability targets. This is largely due to the fact that very few, if any, people with disabilities apply for advertised post in the department.
- The 50% target of gender parity in senior management and middle management remains an elusive since the department has not been able to advertise and fill most of its vacant and funded positions in the year under review.
- The commitment to employ young people in vacant and funded positions remains a priority for the department.
- A cursory view of the age profile in the department has revealed that most of the officials have reached the age of 50 and above. The department will develop an employment equity plan in the new financial year which will guide all future appointments in all occupational classes.

Human Resource Priorities for the Year under review and its Impact

- Reduction of vacancy rate, filling all critical vacant and funded posts have been identified as a priority as it hampers the ability of the department to deliver on its service delivery targets.
- Development and implementation of Retention Strategy in particular for Traffic Officers is one of the major areas of focus for the 2022/23 financial year. The impact of the inability of

the department to meet this target is, amongst others, the high accident rate on our provincial roads.

- Skills development and training enhances professionalism and improves output of individuals in the department. During the year under review very few officials were exposed to skills development opportunities. The impact of this can be seen in the achievement of the overall targets of the department.

Workforce Planning and Key Strategies to Attract and Recruit Skilled Workforce

- The Human Resource Plan and Employment Equity Plan remain the tools used by the department to assist with workforce planning and recruitment of skilled and capable staff. Additionally, the recruitment and selection policy are utilized to ensure that recruitment processes are fair and according to the provisions of legislation.
- The advertisements of vacancies are published in newspapers that have a national footprint as well as the government gazette. This has proven to be effective to reach the target audience.

Employee Performance Management

- Performance management of employees remain the responsibility of their immediate supervisors. The employee performance management unit has conducted training sessions for supervisors on the EPMDS system in order to capacitate them to manage the performance of those that report to them in a fair and equitable manner.
- Advocacy and awareness raising sessions on the policy and the objective of Performance Management is conducted continually.
- All employees are encouraged to complete EPMDS ground documents within the regulated timeframe. These performance management tools are aligned to the strategic objective of the Department.
- During the year under review only 92% of officials submitted their ground documents on time. All officials who failed to submit on time were advised of the consequences of their inaction and will not be eligible for any EPMDS rewards.

Employee Wellness Programmes

- The employee health and wellness programme in the department offers private and professional counseling, support, and other services to officials who are suffering personal or work-related difficulties that may impair their job performance, health, or well-being. The unit is critically understaffed and under-funded.
- The task of this unit includes assisting officials to overcome the problems they face on a daily basis and to improve their productivity in the workplace, whilst simultaneously reducing absenteeism and improving staff morale. The EHW unit further strives to ensure everyone's safety, health, financial security and emotional stability in the workplace. This is a daunting task and is not always met with the desired level of success. The department will prioritise the development of a comprehensive health and wellness plan in the 2023/24 financial year to address the capacity constraints of the EHW unit.

Achievements And Challenges Faced by The Department

- The provincial approval process put in place to manage the filling vacant and funded posts makes it difficult for the department to fill vacant and funded posts.
- The decrease of number of traffic officers in the province due to natural attrition, resignations and retirements and the inability of the department to replace them has now become an intolerable strain on the department. The response to this challenge remains a priority as expressed in the Human Resource Development Plan of the department. Of note is that the Department has lobbied Provincial Treasury who has granted an additional R10 million for the appointment of traffic officers for the 2023/24 financial year.
- An Employment Equity Plan will be developed in the 2023/24 financial year to address the equitable employment of all in the department.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1. Personnel Related Expenditure

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

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

Table 3.1.1: Personnel expenditure by programme for the period 1 April 2022 to 31 March 2023

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	126 441.00	63 188.00	0.00	0.00	50.00	472.00
Civilian Oversight	26 554.00	21 532.00	0.00	0.00	81.10	184.00
Transport Operations	94 391.00	12 128.00	0.00	0.00	12.80	485.00
Transport Operations	88 806.00	75 688.00	0.00	0.00	85.20	418.00
Total	336 192.00	172 536.00	0.00	0.00	51.30	378.00

Table 3.1.2: Personnel Cost by Salary Band for the period 1 April 2022 to 31 March 2023

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)	Total Personnel Cost for Department including Goods and Services (R'000)
Lower skilled (Levels 1-2)					
Skilled (level 3-5)	15 743.00	8.90	53.00	297 038.00	176 329.00
Highly skilled production (levels 6-8)	71 976.00	40.80	169.00	425 893.00	176 329.00
Highly skilled supervision (levels 9-12)	50 303.00	28.50	59.00	852 593.00	176 329.00
Senior and Top management (levels 13-16)	11 450.00	6.50	5.00	2 290 000.00	176 329.00
Total	149 472.00	84.70	286.00	3 865 524.00	705 316.00

Table 3.1.3: Salaries, Overtime, Home Owners Allowance and Medical Aid by Programme for the Period 1 April 2022 to 31 March 2023

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	55 051.00	85.80	2.00	0.00	1 020.00	1.60	2 387.00	3.70
Civilian Oversight	16 328.00	80.60	0.00	0.00	372.00	1.80	905.00	4.50
Transport Operations	12 496.00	84.90	0.00	0.00	329.00	2.20	673.00	4.60
Transport Regulations	59 399.00	77.00	1 339.00	1.70	2 905.00	3.80	5 644.00	7.30
Total	143 275.00	81.30	1 342.00	0.80	4 626.00	2.60	9 609.00	5.40

Table 3.1.4: Salaries, Overtime, Home Owners Allowance and Medical Aid by Salary Band for the period 1 April 2022 to 31 March 2023

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)								
Skilled (level 3-5)	11 574.00	73.40	31.00	0.20	845.00	5.40	1 887.00	12.00
Highly skilled production (levels 6-8)	55 127.00	76.10	1 147.00	1.60	2 989.00	4.10	6 036.00	8.30
Highly skilled supervision (levels 9-12)	42 970.00	82.10	164.00	0.30	694.00	1.30	1 633.00	3.10
Senior management (level 13-16)	10 061.00	87.10	0.00	0.00	98.00	0.80	53.00	0.50
Total	119 732.00	318.70	1342.00	2.1	4 626.00	11.60	9 609.00	23.90

3.2. Employment and Vacancies

The following tables summarises the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment. This information is presented in terms of three key variables:

- Programme
- Salary band
- Critical occupations

Table 3.2.1: Employment and Vacancies by Programme as on 31 March 2023

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	151.00	134.00	11.30	18.00
Civilian Oversight	39.00	32.00	17.90	0.00
Transport Operations	26.00	25.00	3.80	0.00
Transport Regulations	196.00	181.00	7.70	0.00
Total	412.00	372.00	40.70	18.00

Table 3.2.2: Employment and Vacancies by Salary Band as on 31 March 2023

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)	1.00	0.00	100.00	0.00
Skilled (3-5)	59.00	53.00	10.20	0.00
Highly skilled production (6-8)	186.00	169.00	9.10	0.00
Highly skilled supervision (9-12)	69.00	59.00	14.50	0.00
Senior management (13-16)	11.00	5.00	54.50	0.00
Total	326.00	286.00	188.30	0.00

Table 3.2.3: Employment and Vacancies by Critical Occupation as on the 31 March 2023

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative Related	77.00	67.00	13.00	2.00
Cleaners in Offices	27.00	26.00	3.70	0.00
Computer System Designers and Analysts	1.00	1.00	0.00	0.00

DEPARTMENT OF TRANSPORT, SAFETY AND LIAISON – ANNUAL REPORT 2022/23

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Finance and Economics related	1.00	1.00	0.00	0.00
Financial and Related Professionals	3.00	3.00	0.00	0.00
Financial Clerks and Credit Controllers	11.00	9.00	18.20	0.00
Human Resource & Organisat Developm & Related Prof	1.00	1.00	0.00	0.00
Human Resource Clerks	5.00	5.00	0.00	0.00
Human Resource Related	4.00	2.00	50.00	0.00
Legal Related	1.00	1.00	0.00	0.00
Library Mail & Related Clerks	4.00	3.00	25.00	0.00
Light Vehicle Drivers	1.00	1.00	0.00	0.00
Messengers & Deliveries	2.00	2.00	0.00	0.00
Other Administrat & Related Clerks	114.00	108.00	5.30	15.00
Other Administrative Policy & Related Offices	10.00	10.00	0.00	0.00
Other occupations	1.00	1.00	0.00	0.00
Regulatory Inspectors	128.00	115.00	10.20	0.00
Secretaries & Other Operating Clerks	12.00	12.00	0.00	0.00
Security Officers	1.00	1.00	0.00	0.00
Senior Managers	8.00	3.00	62.50	1.00
Total	412.00	372.00	9.70	18.00

3.3. Filling of SMS Posts

Table 3.3.1: SMS Post Information as on 31 March 2023

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1.00	0	0	0	0
Salary Level 16	0	0	0	0	0
Salary Level 15	0	0	0	0	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 14	0	0	0	0	0
Salary Level 13	6.00	0	0	0	0
Total	7	0	0	0	0

Table 3.3.2: SMS Post Information as on 30 September 2022

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Total	0	0	0	0	0

Table 3.3.3: Advertising and Filling of SMS Post for the Period 1 April 2022 to 31 March 2023

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	1.00	0	0
Salary Level 14	1.00	0	0
Salary Level 13	1.00	0	0
Total	3.00	0	0

Table 3.3.4: Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2022 to 31 March 2023

Reasons for Vacancies not Advertised within Six Months
Provincial procedure adopted by provincial government towards filling of vacant funded posts creates extended delays

Reasons for Vacancies not Filled within Six Months
Approval process and vetting of candidates may delay the process of filling the vacancies

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 2022 to 31 March 2023

Reasons for Vacancies not advertised within Six Months
Not applicable.

Reasons for Vacancies not Filled within Six Months
Not applicable.

3.4. Job Evaluation

Table 3.4.1: Job Evaluation by Salary Band for the Period 1 April 2022 to 31 March 2023

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels 1-2)	27.00	0.00	0.00	0.00	0.00	0.00	0.00
Skilled (Levels 3-5)	87.00	0.00	0.00	0.00	0.00	0.00	0.00
Highly skilled production (Levels 6-8)	188.00	0.00	0.00	2.00	0.00	0.00	0.00
Highly skilled supervision (Levels 9-12)	73.00	0.00	0.00	1.00	0.00	0.00	0.00
Senior Management Service Band A	6.00	0.00	0.00	0.00	0.00	0.00	0.00
Senior Management Service Band B	2.00	0.00	0.00	0.00	0.00	0.00	0.00
Senior Management Service Band C	1.00	0.00	0.00	0.00	0.00	0.00	0.00
Senior Management Service Band D	1.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	385.00	0.00	0.00	3.00	0.00	0.00	0.00

Table 3.4.2: Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2022 to 31 March 2023

Gender	African	Asian	Coloured	White	Total
Female	0.00	0.00	0.00	0.00	0.00
Male	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00	0.00
Employees with disabilities					0.00

Table 3.4.3: Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2022 to 31 March 2023

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Total number of employees whose salaries exceeded the level determined by job evaluation				0.00
Percentage of total employed				0.00

Table 3.4.4: Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2022 to 31 March 2023

Gender	African	Asian	Coloured	White	Total
Female	0.00	0.00	0.00	0.00	0.00
Male	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00	0.00
Employees with disabilities					0.00

3.5. Employment Changes

Table 3.5.1: Annual turnover rates by salary band for the period 1 April 2022 to 31 March 2023

Salary band	Number of employees at beginning of period-1 April 20YY	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	0.00	34.00	0.00	0.00
Skilled (Levels 3-5)	53.00	27.00	2.00	3.80
Highly skilled production (Levels 6-8)	171.00	2.00	4.00	2.30
Highly skilled supervision (Levels 9-12)	60.00	2.00	2.00	3.30
Senior Management Service Bands A	4.00	0.00	0.00	0.00
Senior Management Service Bands B	0.00	1.00	0.00	0.00
Senior Management Service Bands C	1.00	0.00	0.00	0.00
Senior Management Service Bands D	1.00	0.00	0.00	0.00
Contracts	2.00	0.00	0.00	0.00
Total	292.00	66.00	8.00	9.40

Table 3.5.2: Annual turnover rates by critical occupation for the period 1 April 2022 to 31 March 2023

Critical occupation	Number of employees at beginning of period-1 April 20YY	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative Related	68.00	129.00	9.00	13.20
Cleaners in officers	26.00	21.00	24.00	92.30
Computer System Designers and Analyst	1.00	0.00	0.00	0.00
Finance and Economics	1.00	0.00	0.00	0.00
Financial and Related Professionals	3.00	0.00	0.00	0.00
Financial Clerks and Credit Controllers	9.00	3.00	1.00	11.10
Human Resource & Organisat Developm & Relate Prof	1.00	0.00	0.00	0.00

DEPARTMENT OF TRANSPORT, SAFETY AND LIAISON – ANNUAL REPORT 2022/23

Critical occupation	Number of employees at beginning of period- April 20YY	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Human Resource Clerks	5.00	0.00	0.00	0.00
Human Resource Related	2.00	0.00	0.00	0.00
Legal Related	1.00	0.00	0.00	0.00
Library Mail and Related Clerks	3.00	0.00	0.00	0.00
Light vehicle drivers	1.00	0.00	0.00	0.00
Messengers	2.00	0.00	0.00	0.00
Other Administrat & Related Clerks	106.00	28.00	35.00	33.00
Other Administrative Policy & Related Officers	10.00	0.00	0.00	0.00
Other Occupations	1.00	0.00	0.00	0.00
Regulatory Inspectors	116.00	1.00	2.00	1.70
Secretaries & Other Keyboard Operating Clerks	12.00	2.00	2.00	16.70
Security Guards	0.00	14.00	0.00	0.00
Security Officers	1.00	0.00	0.00	0.00
Senior Managers	2.00	1.00	0.00	0.00
TOTAL	371.00	89.00	73.00	19.70

Table 3.5.3: Reasons why staff left the department for the period 1 April 2022 to 31 March 2023

Termination Type	Number	% of Total Resignations
Death	2.00	2.70
Resignation	3.00	4.10
Expiry of contract	63.00	86.30
Dismissal – operational changes	2.00	2.70
Dismissal – misconduct	2.00	2.70
Dismissal – inefficiency		
Discharged due to ill-health		
Retirement	3.00	4.10
Transfer to other Public Service Departments		
Other		
Total	7.00	7.50
Total number of employees who left as a % of total employment		1.85

Table 3.5.4: Promotions by critical occupation for the period 1 April 2022 to 31 March 2023

Occupation	Employees 1 April 20YY	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	0.00	0.00	0.00	0.00	0.00

Table 3.5.5: Promotions by salary band for the period 1 April 2022 to 31 March 2023

Salary Band	Employees 1 April 20YY	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)					
Skilled (Levels 3-5)	53.00	0.00	0.00	22.00	41.50
Highly skilled production (Levels 6-8)	171.00	2.00	1.20	54.00	31.60
Highly skilled supervision (Levels 9-12)	60.00	1.00	1.70	26.00	43.30
Senior Management (Level 13-16)	5.00	0.00	0.00	1.00	20.00
Total	289.00	3.00	2.90	103.00	136.40

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 2023

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Professionals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Technicians and associate professionals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Clerks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Service and sales workers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Skilled agriculture and fishery workers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Craft and related trades workers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Plant and machine operators and assemblers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Elementary occupations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Employees with disabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Table 3.6.2: Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0.00	1.00	0.00	0.00	1.00	0.00	0.00	0.00	2.00
Senior Management	3.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	4.00
Professionally qualified and experienced specialists and mid-management	20.00	9.00	0.00	4.00	17.00	7.00	0.00	2.00	59.00
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	47.00	22.00	0.00	0.00	61.00	34.00	2.00	5.00	171.00
Semi-skilled and discretionary decision making	28.00	7.00	0.00	0.00	36.00	11.00	1.00	0.00	83.00
Unskilled and defined decision making	1.00	3.00	0.00	0.00	16.00	6.00	0.00	0.00	26.00
Total	99.00	42.00	0.00	4.00	131.00	59.00	3.00	7.00	345.00

Table 3.6.3: Recruitment for the period 1 April 2022 and 31 March 2023

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	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Professionally qualified and experienced specialists and mid-management	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Semi-skilled and discretionary decision making	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unskilled and defined decision making	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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 2022 to 31 March 2023

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	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	1.00
Professionally qualified and experienced specialists and mid-management	10.00	7.00	0.00	17.00	1.00	6.00	3.00	2.00	46.00
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	15.00	8.00	0.00	23.00	0.00	21.00	9.00	0.00	76.00
Semi-skilled and discretionary decision making	5.00	1.00	0.00	6.00	0.00	12.00	4.00	0.00	28.00
Unskilled and defined decision making	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
Total	30.00	17.00	0.00	46.00	1.00	40.00	16.00	2.00	152.00
Employees with disabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Table 3.6.5: Terminations for the period 1 April 2022 to 31 March 2023

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	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Professionally qualified and experienced specialists and mid-management	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	3.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	4.00
Semi-skilled and discretionary decision making	0.00	0.00	0.00	0.00	2.00	0.00	0.00	0.00	2.00
Unskilled and defined decision making	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	4.00	2.00	0.00	0.00	2.00	0.00	0.00	0.00	8.00
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 2022 to 31 March 2023

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

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

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	5	1	0	1	0	2	0	0	9
Professionals	1	0	0	0	2	4	0	0	7
Technicians and associate professionals	0	0	0	0	0	0	0	0	0
Clerks	22	10	0	0	19	8	1	0	60
Service and sales workers	23	15	0	0	54	18	1	0	111
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	11	5	0	0	12	7	0	0	35
Total	65	31	0	1	89	40	3	0	229
Employees with disabilities	3	0	0	0	2	1	1	0	7

3.7. Signing of Performance Agreements by SMS Members

Table 3.7.1. Signing of Performance Agreements by SMS members as on the 31 May 2022

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
Head of Department	1	1	1	100%
Salary Level 14	1	1	0	0%
Salary Level 13	7	7	3	43%
Total	9	9	4	44%

Table 3.7.2: Reasons for not having concluded Performance Agreements for all SMS members as on the 31 May 2022

Reasons
Non compliance

Table 3.7.3: Disciplinary steps taken against SMS members for not having concluded Performance Agreements as on the 31 May 2022

Reasons
None

3.8. Performance Rewards

Table 3.8.1: Performance Rewards by race, gender and disability for the period 1 April 2022 to 31 March 2023

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	14.00	106.00	13.20	164.10	11 722.00
Female	13.00	141.00	9.20	140.64	10 818.00
Asian					
Male	0.00	0.00	0.00	0.00	0.00
Female	1.00	2.00	50.00	8.70	8 702.00
Coloured					
Male	8.00	46.00	17.40	285.76	35 720.00
Female	5.00	63.00	7.90	30.62	6 125.00
White					
Male	2.00	4.00	50.00	102.36	51 182.00
Female	4.00	7.00	57.10	63.97	15 992.00
Total	47.00	369.00	204.80	796.15	140 261.00

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2022 to 31 March 2023

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (Levels 1-2)	0	0	0	0	0	0.00
Skilled (level 3-5)	7.00	53.00	13.20	50.12	7 160.00	7 283.32
Highly skilled production (level 6-8)	26.00	169.00	15.40	271.00	10 426.00	10 907.40
Highly skilled supervision (level 9-12)	14.00	59.00	23.70	474.97	33 926.00	344 97.67
Total	47.00	281.00	52.30	796.09	51 512.00	52 688.39

Table3.8.3: Performance Rewards by Critical Occupation for the period 1 April 2022 to 31 March 2023

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	2.00	9.00	22.20	12.39	6 195.00
Human Resource Clerks	1.00	5.00	20.00	28.08	28 076.00
Security Officers	0.00	1.00	0.00	0.00	0.00
Messengers, Porters and Deliveries	1.00	2.00	50.00	4.77	4 766.00
Human Resources & Organisational Development & Related Professions	0.00	1.00	0.00	0.00	0.00
Finance and Economic Related	0.00	1.00	0.00	0.00	0.00
Other Administration & Clerks and Organisers	10.00	108.00	9.30	90.88	
Other Occupations	0.00	1.00	0.00	0.00	0.00
Legal Related	0.00	1.00	0.00	0.00	0.00
Financial and Related Professionals	0.00	3.00	0.00	0.00	0.00
Administrative Related	12.00	67.00	17.90	409.12	34 093.00
Secretaries & Other Keyboard Operating Clerks	1.00	12.00	8.30	12.86	12 862.00

DEPARTMENT OF TRANSPORT, SAFETY AND LIAISON – ANNUAL REPORT 2022/23

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Cleaners in Offices, Workshops, Hospitals, etc.	1.00	26.00	3.80	3.13	3 130.00
Library, mail and Related Clerks	2.00	3.00	66.70	14.15	7 073.00
Human Resources Related	0.00	2.00	0.00	0.00	0.00
Regulatory Inspectors	14.00	115.00	12.20	159.82	11 416.00
Other Administrative Policy and Related Officers	3.00	10.00	30.00	60.97	20 323.00
Senior Managers	0.00	3.00	0.00	0.00	0.00
Computer System Designers and Analysts	0.00	1.00	0.00	0.00	0.00
Light Vehicle Drivers	0.00	1.00	0.00	0.00	0.00
Total	47.00	372.00	12.60	796.16	16 940.00

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2022 to 31 March 2023

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	7.00	0.00	0.00	0.00	0.00	9 917.48
Band B	0.00	0.00	0.00	0.00	0.00	0.00
Band C	0.00	0.00	0.00	0.00	0.00	0.00
Band D	1.00	0.00	0.00	0.00	0.00	1.00
Total	8.00	0.00	0.00	0.00	0.00	1.00

3.9. Foreign Workers

Table 3.9.1 Foreign workers by salary band for the period 1 April 2022 and 31 March 2023

Salary band	01 April 20YY		31 March 20ZZ		Change	
	Number	% of total	Number	% of total	Number	% Change
Total	0.00	0.00	0.00	0.00	0.00	0.00

Table 3.9.2 Foreign workers by major occupation for the period 1 April 20YY and 31 March 20ZZ

Major occupation	01 April 20YY		31 March 20ZZ		Change	
	Number	% of total	Number	% of total	Number	% Change
	0.00	0.00	0.00	0.00	0.00	0.00

3.10. Leave Utilisation

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

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	60.00	70.00	15.00	8.30	4.00	31.00
Skilled (levels 3-5)	51.00	88.20	9.00	5.00	6.00	39.00
Highly skilled production (levels 6-8)	672.00	62.10	110.00	61.10	6.00	905.00
Highly skilled supervision (levels 9 -12)	139.00	91.40	20.00	11.10	7.00	402.00
Top and Senior management (levels 13-16)	9.00	100.00	2.00	1.10	5.00	41.00
Skilled (Levels 3-5)	163.00	69.30	24.00	13.30	7.00	155.00
Total	1 094.00	68.80	180.00	100.00	6.00	1 573.00

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

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	0.00	0.00	0.00	0.00	0.00	0.00
Skilled (Levels 3-5)	1.00	100.00	1.00	25.00	1.00	1.00
Highly skilled production (Levels 6-8)	15.00	100.00	2.00	50.00	8.00	18.00
Highly skilled supervision (Levels 9-12)	0.00	0.00	0.00	0.00	0.00	0.00
Senior management (Levels 13-16)	0.00	0.00	0.00	0.00	0.00	0.00
Total	16.00	200.00	3.00	75.00	9.00	19.00

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

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	291.00	23.00	13.00
Skilled Levels 3-5)	1 501.00	80.00	19.00
Highly skilled production (Levels 6-8)	4 496.00	172.00	26.00
Highly skilled supervision (Levels 9-12)	1 550.00	62.00	25.00
Senior management (Levels 13-16)	123.00	6.00	21.00
Total	7961.00	343.00	104.00

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

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2022
Lower skilled (Levels 1-2)	0.00	0.00	0.00	0.00
Skilled Levels 3-5)	0.00	0.00	0.00	45.00
Highly skilled production (Levels 6-8)	0.00	0.00	48.00	0.00
Highly skilled supervision(Levels 9-12)	5.00	5.00	48.00	1.00
Senior management (Levels 13-16)				
Total	5.00	5.00	96.00	46.00

Table 3.10.5: Leave pay-outs for the period 1 April 2022 to 31 March 2022

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2022/23 due to non-utilisation of leave for the previous cycle	0.00	0.00	0.00
Capped leave payouts on termination of service for 20YY/ZZ	164.00	2.00	82 000.00
Current leave payout on termination of service for 2022/23	0.00	8.00	0.00
Total	164.00	10.00	82 000.00

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
All officials are at risk of attracting HIV and related diseases	The Employee Health and Wellness unit, in partnership with the department of Health conduct awareness programmes and voluntary screening sessions on a regular basis. This includes distribution of condoms, HCT Screening by GEMS and information sharing on HIV/AIDS (pamphlets)

Table 3.11.2: Details of Health Promotion and HIV and AIDS Programmes

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		EHW and Gender Office A total of 5 officials are assigned to this responsibility.
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		Counselling Referral to relevant stakeholders Partnership with love life, GEMS, DOH
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		Occupational Health and Safety Committee. One from each Directorate
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.			HIV/AIDS, TB and STI Policies Safety, Health, Risk and Quality Policy Health and Productivity Policy
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.			Support Care Belong
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.			50% of officials attend the HCT Programme
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	x		EHW Integrated report every quarter

3.12. Labour Relations

Table 3.12.1: Collective agreements for the period 1 April 2022 to 31 March 2023

Subject matter	Date
None	

Table 3.12.2: Misconduct and disciplinary hearings finalised for the period 1 April 2022 to 31 March 2023

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	1	10%
Case withdrawn	0	0%
Total	0	0%

Table 3.12.3: Types of misconduct addressed at disciplinary hearings for the period 1 April 2022 to 31 March 2023

Type of misconduct	Number	% of total
Sexual harassment	1	16%
Abuse of state vehicle	2	33.3%
Dereliction of duty and insubordination	1	16.6%
Bribery / Corruption	3	50%
Deemed dismissals	3	50%
Fighting at workplace	2	33.3%
Total	12	3%

Table 3.12.4: Grievances lodged for the period 1 April 2022 to 31 March 2023

Grievances	Number	% of Total
Number of grievances resolved	10	71.4%
Number of grievances not resolved	4	28.57
Total number of grievances lodged	14	100%

Table 3.6.3: Recruitment for the period 1 April 2022 and 31 March 2023

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	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Professionally qualified and experienced specialists and mid-management	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Semi-skilled and discretionary decision making	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unskilled and defined decision making	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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 2022 to 31 March 2023

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	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	1.00
Professionally qualified and experienced specialists and mid-management	10.00	7.00	0.00	17.00	1.00	6.00	3.00	2.00	46.00
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	15.00	8.00	0.00	23.00	0.00	21.00	9.00	0.00	76.00
Semi-skilled and discretionary decision making	5.00	1.00	0.00	6.00	0.00	12.00	4.00	0.00	28.00
Unskilled and defined decision making	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
Total	30.00	17.00	0.00	46.00	1.00	40.00	16.00	2.00	152.00
Employees with disabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Table 3.6.5: Terminations for the period 1 April 2022 to 31 March 2023

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	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Professionally qualified and experienced specialists and mid-management	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	3.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	4.00
Semi-skilled and discretionary decision making	0.00	0.00	0.00	0.00	2.00	0.00	0.00	0.00	2.00
Unskilled and defined decision making	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	4.00	2.00	0.00	0.00	2.00	0.00	0.00	0.00	8.00
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 2022 to 31 March 2023

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

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

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	5	1	0	1	0	2	0	0	9
Professionals	1	0	0	0	2	4	0	0	7
Technicians and associate professionals	0	0	0	0	0	0	0	0	0
Clerks	22	10	0	0	19	8	1	0	60
Service and sales workers	23	15	0	0	54	18	1	0	111
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	11	5	0	0	12	7	0	0	35
Total	65	31	0	1	89	40	3	0	229
Employees with disabilities	3	0	0	0	2	1	1	0	7

3.7. Signing of Performance Agreements by SMS Members

Table 3.7.1. Signing of Performance Agreements by SMS members as on the 31 May 2022

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
Head of Department	1	1	1	100%
Salary Level 14	1	1	0	0%
Salary Level 13	7	7	3	43%
Total	9	9	4	44%

Table 3.7.2: Reasons for not having concluded Performance Agreements for all SMS members as on the 31 May 2022

Reasons
Non compliance

Table 3.7.3: Disciplinary steps taken against SMS members for not having concluded Performance Agreements as on the 31 May 2022

Reasons
None

3.8. Performance Rewards

Table 3.8.1: Performance Rewards by race, gender and disability for the period 1 April 2022 to 31 March 2023

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	14.00	106.00	13.20	164.10	11 722.00
Female	13.00	141.00	9.20	140.64	10 818.00
Asian					
Male	0.00	0.00	0.00	0.00	0.00
Female	1.00	2.00	50.00	8.70	8 702.00
Coloured					
Male	8.00	46.00	17.40	285.76	35 720.00
Female	5.00	63.00	7.90	30.62	6 125.00
White					
Male	2.00	4.00	50.00	102.36	51 182.00
Female	4.00	7.00	57.10	63.97	15 992.00
Total	47.00	369.00	204.80	796.15	140 261.00

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2022 to 31 March 2023

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (Levels 1-2)	0	0	0	0	0	0.00
Skilled (level 3-5)	7.00	53.00	13.20	50.12	7 160.00	7 283.32
Highly skilled production (level 6-8)	26.00	169.00	15.40	271.00	10 426.00	10 907.40
Highly skilled supervision (level 9-12)	14.00	59.00	23.70	474.97	33 926.00	344 97.67
Total	47.00	281.00	52.30	796.09	51 512.00	52 688.39

Table 3.8.3: Performance Rewards by Critical Occupation for the period 1 April 2022 to 31 March 2023

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	2.00	9.00	22.20	12.39	6 195.00
Human Resource Clerks	1.00	5.00	20.00	28.08	28 076.00
Security Officers	0.00	1.00	0.00	0.00	0.00
Messengers, Porters and Deliveries	1.00	2.00	50.00	4.77	4 766.00
Human Resources & Organisational Development & Related Professions	0.00	1.00	0.00	0.00	0.00
Finance and Economic Related	0.00	1.00	0.00	0.00	0.00
Other Administration & Clerks and Organisers	10.00	108.00	9.30	90.88	
Other Occupations	0.00	1.00	0.00	0.00	0.00
Legal Related	0.00	1.00	0.00	0.00	0.00
Financial and Related Professionals	0.00	3.00	0.00	0.00	0.00
Administrative Related	12.00	67.00	17.90	409.12	34 093.00
Secretaries & Other Keyboard Operating Clerks	1.00	12.00	8.30	12.86	12 862.00

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Cleaners in Offices, Workshops, Hospitals, etc.	1.00	26.00	3.80	3.13	3 130.00
Library, mail and Related Clerks	2.00	3.00	66.70	14.15	7 073.00
Human Resources Related	0.00	2.00	0.00	0.00	0.00
Regulatory Inspectors	14.00	115.00	12.20	159.82	11 416.00
Other Administrative Policy and Related Officers	3.00	10.00	30.00	60.97	20 323.00
Senior Managers	0.00	3.00	0.00	0.00	0.00
Computer System Designers and Analysts	0.00	1.00	0.00	0.00	0.00
Light Vehicle Drivers	0.00	1.00	0.00	0.00	0.00
Total	47.00	372.00	12.60	796.16	16 940.00

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2022 to 31 March 2023

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	7.00	0.00	0.00	0.00	0.00	9 917.48
Band B	0.00	0.00	0.00	0.00	0.00	0.00
Band C	0.00	0.00	0.00	0.00	0.00	0.00
Band D	1.00	0.00	0.00	0.00	0.00	1.00
Total	8.00	0.00	0.00	0.00	0.00	1.00

3.9. Foreign Workers

Table 3.9.1 Foreign workers by salary band for the period 1 April 2022 and 31 March 2023

Salary band	01 April 20YY		31 March 20ZZ		Change	
	Number	% of total	Number	% of total	Number	% Change
Total	0.00	0.00	0.00	0.00	0.00	0.00

Table 3.9.2 Foreign workers by major occupation for the period 1 April 20YY and 31 March 20ZZ

Major occupation	01 April 20YY		31 March 20ZZ		Change	
	Number	% of total	Number	% of total	Number	% Change
	0.00	0.00	0.00	0.00	0.00	0.00

3.10. Leave Utilisation

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

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	60.00	70.00	15.00	8.30	4.00	31.00
Skilled (levels 3-5)	51.00	88.20	9.00	5.00	6.00	39.00
Highly skilled production (levels 6-8)	672.00	62.10	110.00	61.10	6.00	905.00
Highly skilled supervision (levels 9 -12)	139.00	91.40	20.00	11.10	7.00	402.00
Top and Senior management (Levels 13-16)	9.00	100.00	2.00	1.10	5.00	41.00
Skilled (Levels 3-5)	163.00	69.30	24.00	13.30	7.00	155.00
Total	1 094.00	68.80	180.00	100.00	6.00	1 573.00

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

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	0.00	0.00	0.00	0.00	0.00	0.00
Skilled (Levels 3-5)	1.00	100.00	1.00	25.00	1.00	1.00
Highly skilled production (Levels 6-8)	15.00	100.00	2.00	50.00	8.00	18.00
Highly skilled supervision (Levels 9-12)	0.00	0.00	0.00	0.00	0.00	0.00
Senior management (Levels 13-16)	0.00	0.00	0.00	0.00	0.00	0.00
Total	16.00	200.00	3.00	75.00	9.00	19.00

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

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	291.00	23.00	13.00
Skilled Levels 3-5)	1 501.00	80.00	19.00
Highly skilled production (Levels 6-8)	4 496.00	172.00	26.00
Highly skilled supervision (Levels 9-12)	1 550.00	62.00	25.00
Senior management (Levels 13-16)	123.00	6.00	21.00
Total	7961.00	343.00	104.00

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

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2022
Lower skilled (Levels 1-2)	0.00	0.00	0.00	0.00
Skilled Levels 3-5)	0.00	0.00	0.00	45.00
Highly skilled production (Levels 6-8)	0.00	0.00	48.00	0.00
Highly skilled supervision (Levels 9-12)	5.00	5.00	48.00	1.00
Senior management (Levels 13-16)				
Total	5.00	5.00	96.00	46.00

Table 3.10.5: Leave pay-outs for the period 1 April 2022 to 31 March 2022

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2022/23 due to non-utilisation of leave for the previous cycle	0.00	0.00	0.00
Capped leave payouts on termination of service for 20YY/ZZ	164.00	2.00	82 000.00
Current leave payout on termination of service for 2022/23	0.00	8.00	0.00
Total	164.00	10.00	82 000.00

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
All officials are at risk of attracting HIV and related diseases	The Employee Health and Wellness unit, in partnership with the department of Health conduct awareness programmes and voluntary screening sessions on a regular basis. This includes distribution of condoms, HCT Screening by GEMS and information sharing on HIV/AIDS (pamphlets)

Table 3.11.2: Details of Health Promotion and HIV and AIDS Programmes

Question			Details, if yes
	Yes	No	
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		EHW and Gender Office A total of 5 officials are assigned to this responsibility.
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		Counselling Referral to relevant stakeholders Partnership with love life, GEMS, DOH
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		Occupational Health and Safety Committee. One from each Directorate
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.			HIV/AIDS, TB and STI Policies Safety, Health, Risk and Quality Policy Health and Productivity Policy
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.			Support Care Belong
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.			50% of officials attend the HCT Programme
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	x		EHW Integrated report every quarter

3.12. Labour Relations

Table 3.12.1: Collective agreements for the period 1 April 2022 to 31 March 2023

Subject matter	Date
None	

Table 3.12.2: Misconduct and disciplinary hearings finalised for the period 1 April 2022 to 31 March 2023

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	1	10%
Total	0	0%

Table 3.12.3: Types of misconduct addressed at disciplinary hearings for the period 1 April 2022 to 31 March 2023

Type of misconduct	Number	% of total
Sexual harassment	1	16%
Abuse of state vehicle	2	33.3%
Dereliction of duty and insubordination	1	16.6%
Bribery / Corruption	3	50%
Deemed dismissals	3	50%
Fighting at workplace	2	33.3%
Total	12	3%

Table 3.12.4: Grievances lodged for the period 1 April 2022 to 31 March 2023

Grievances	Number	% of Total
Number of grievances resolved	10	71.4%
Number of grievances not resolved	4	28.57
Total number of grievances lodged	14	100%

Table 3.12.5: Disputes lodged with Councils for the period 1 April 2022 to 31 March 2023

Disputes	Number	% of Total
Number of disputes upheld	2	25%
Number of disputes dismissed	6	75%
Total number of disputes lodged	8	100%

Table 3.12.6: Strike Action for the period 1 April 2022 to 31 March 2023

Total number of persons working days lost	12
Total costs working days lost	12
Amount recovered as a result of no work no pay (R'000)	R 324 786

Table 3.12.7: Precautionary suspensions for the period 1 April 2022 to 31 March 2023

Number of people suspended	3
Number of people whose suspension exceeded 30 days	3
Average number of days suspended	320
Cost of suspension(R'000)	R 558 847.75

3.13. Skills Development

Table 3.13.1: Training needs identified for the period 1 April 2022 to 31 March 2023

Occupational category	Gender	Number of employees as at 1 April 20YY	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	40	-	9	-	40
	Male	32	-	9	-	32
Professionals	Female	21	-	15	-	21
	Male	17	-	15	-	17
Technicians and associate professionals	Female	0	-	0	-	-
	Male	0	-	0	-	-
Clerks	Female	40	-	12	-	40
	Male	18	-	12	-	18
Service and sales workers	Female	60	-	9	-	60
	Male	49	-	9	-	49
Skilled agriculture and fishery workers	Female	0	-	-	-	-
	Male	0	-	-	-	-
Craft and related trades workers	Female	0	-	-	-	-
	Male	0	-	-	-	-
Plant and machine operators and assemblers	Female	0	-	-	-	-
	Male	0	-	-	-	-
Elementary occupations	Female	14	-	5	-	14

DEPARTMENT OF TRANSPORT, SAFETY AND LIAISON – ANNUAL REPORT 2022/23

Occupational category	Gender	Number of employees as at 1 April 20YY	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
	Male	11	-	5	-	11
Sub Total	Female	175	-	-	-	175
	Male	127	-	-	-	127
Total		302	-	-	-	302

Table 3.13.2: Training provided for the period 1 April 2022 to 31 March 2023

Occupational category	Gender	Number of employees as at 1 April 20YY	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	2	-	1	0	2
	Male	7	-	1	0	7
Professionals	Female	6	-	2	0	6
	Male	1	-	2	0	1
Technicians and associate professionals	Female	0	-	-	-	-
	Male	0	-	-	-	-
Clerks	Female	38	-	-	1	38
	Male	22	-	-	1	22
Service and sales workers	Female	73	-	-	4	73
	Male	47	-	-	4	47
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Craft and related trades workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Elementary occupations	Female	19	-	-	1	19
	Male	16	-	-	1	16
Sub Total	Female	138	-	-	-	138
	Male	93	-	-	-	93
Total		231	-	-	-	231

3.14. Injury on Duty

Table 3.14.1: Injury on duty for the period 1 April 2021 to 31 March 2023

Nature of the Injury on Duty	Number	% of Total
Required basic medical attention only	0.00	0%
Temporary Total Disablement	0.00	0%
Permanent Disablement	0.00	0%
Fatal	0.00	0%
Total	0.00	0%

3.15. Utilisation of Consultants

Table 3.15.1: Report on consultant appointments using appropriated funds for the period 1 April 2022 to 31 March 2023

Project Title	Total Number of Consultants that Worked on the Project	Duration: Work Days	Contract Value in Rand
N/A	N/A	N/A	N/A

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
N/A	N/A	N/A	N/A

Table 3.15.2: Analysis of Consultant appointments using appropriated funds in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2022 to 31 March 2023

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

Table 3.15.3: Report on Consultant appointment using Donor Funds for the period 1 April 2022 to 31 March 2023

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
N/A	N/A	N/A	N/A

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
N/A	N/A	N/A	N/A

Table 3.15.4: Analysis of Consultant Appointment using Donor Funds. In terms of Historically Disadvantaged (HDI's) for the period 1 April 2022 to 31 March 2023

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

3.16. Severance Packages**Table 3.16.1: Granting of Employees Initiated Severance Packages for the period 1 April 2022 to 31 March 2023**

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: PFMA COMPLIANCE REPORT**1. IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES****1.1. Irregular Expenditure****a) Reconciliation of irregular expenditure**

Description	2022/2023	2021/2022
	R'000	R'000
Opening balance	1 299 545	1 206 769
Add: Irregular expenditure confirmed	92 230	92 776
Less: Irregular expenditure condoned		
Less: Irregular expenditure not condoned and removed		
Less: Irregular expenditure recoverable		
Less: Irregular expenditure not recovered and written off		
Closing balance	1 391 775	1 299 545

Include discussion here where deemed relevant.

Reconciling notes

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure that was under assessment in 2022/23	11 204	
Irregular expenditure that relates to 2021/22 and identified in 2022/23		3 042
Irregular expenditure for the current year	92 230	89 734
Total	103 434	92 776

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

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure under assessment	11 204	
Irregular expenditure under determination	92 230	11 432
Irregular expenditure under investigation		
Total	103 434	11 432

Include discussion here where deemed relevant.

c) Details of current and previous year irregular expenditure condoned

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure condoned		-
Total		

Condonement was received after year end for Learner Transport relating to prior years, amounting to R668 021 000.00

d) Details of current and previous year irregular expenditure removed - (not condoned)

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure NOT condoned and removed	-	-
Total	-	-

Include discussion here where deemed relevant.

e) Details of current and previous year irregular expenditure recovered

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure recovered	-	-
Total	-	-

Include discussion here where deemed relevant.

f) Details of current and previous year irregular expenditure written off (irrecoverable)

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure written off	-	-
Total	-	-

Include discussion here where deemed relevant.

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

Description
Not Applicable
Total

Include discussion here where deemed relevant.

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

Description	2022/2023	2021/2022
	R'000	R'000
Not Applicable	-	-
Total	-	-

Include discussion here where deemed relevant.

i) Details of current and previous year disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken
Not Applicable

Include discussion here where deemed relevant.

1.2. Fruitless and Wasteful Expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2022/2023	2021/2022
	R'000	R'000
Opening balance	1 691	1 272
Add: Fruitless and wasteful expenditure confirmed	344	419
Less: Fruitless and wasteful expenditure written off		
Less: Fruitless and wasteful expenditure recoverable		
Closing balance	2 035	1 691

Include discussion here where deemed relevant.

Reconciling notes

Description	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment in 2022/23		
Fruitless and wasteful expenditure that relates to 2021/22 and identified in 2022/23		
Fruitless and wasteful expenditure for the current year	344	419
Total	344	419

b) Details of current and previous year fruitless and wasteful expenditure (under assessment, determination, and investigation)

Description	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	344	419-
Fruitless and wasteful expenditure under investigation	-	-
Total	344	419-

Include discussion here where deemed relevant.

c) Details of current and previous year fruitless and wasteful expenditure recovered

Description	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure recovered	-	-
Total	-	-

Include discussion here where deemed relevant.

d) Details of current and previous year fruitless and wasteful expenditure not recovered and written off

Description	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure written off	-	-
Total	-	-

Include discussion here where deemed relevant.

e) Details of current and previous year disciplinary or criminal steps taken as a result of fruitless

Disciplinary steps taken
Not Applicable
Total

Include discussion here where deemed relevant.

1.3. Unauthorised Expenditure

a) Reconciliation of unauthorised expenditure

Description	2022/23	2021/2022
	R'000	R'000
Opening balance	35 936	35 936
Add: unauthorised expenditure confirmed	9 444	
Less: unauthorised expenditure approved with funding		
Less: unauthorised expenditure approved without funding		
Less: unauthorised expenditure recoverable		
Less: unauthorised not recovered and written off		
Closing balance	45 380	35 936

Include discussion here where deemed relevant.

Reconciling notes

Description	2022/23	2021/2022
	R'000	R'000
Unauthorised expenditure that was under assessment in 2022/23		
Unauthorised expenditure that relates to 2021/22 and identified in 2022/23		
Unauthorised expenditure for the current year	9 444	
Total	9 444	

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

Description	2022/23	2021/2022
	R'000	R'000
Unauthorised expenditure under assessment	-	-
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
Total	-	-

Include discussion here where deemed relevant.

1.4. Additional Disclosure relating to Material Losses in Terms of PFMA Section 40(3)(b)(i) & (iii)

a) Details of current and previous year material losses through criminal conduct

Material losses through criminal conduct	2022/23	2021/2022
	R'000	R'000
Theft	-	-
Other material losses	-	-
Less: Recovered	-	-
Less: Not recovered and written off	-	-
Total	-	-

Include discussion here where deemed relevant.

b) Details of other material losses

Nature of other material losses	2022/23	2021/2022
	R'000	R'000
<i>(Group major categories, but list material items)</i>	-	-
	-	-
	-	-
	-	-
	-	-
Total	-	-

Include discussion here where deemed relevant.

c) Other material losses recovered

Nature of losses	2022/23	2021/2022
	R'000	R'000
<i>(Group major categories, but list material items)</i>	-	-
	-	-
	-	-
	-	-
	-	-
Total	-	-

Include discussion here where deemed relevant.

d) Other material losses written off

Nature of losses	2022/23	2021/2022
	R'000	R'000
<i>(Group major categories, but list material items)</i>	-	-
	-	-
	-	-
	-	-
	-	-
Total	-	-

Include discussion here where deemed relevant.

2. LATE OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	2 660	543 655
Invoices paid within 30 days or agreed period	2 624	541 495
Invoices paid after 30 days or agreed period	36	2 160
Invoices older than 30 days or agreed period <i>(unpaid and without dispute)</i>	9	1 326
Invoices older than 30 days or agreed period <i>(unpaid and in dispute)</i>	6	808

3. SUPPLY CHAIN MANAGEMENT

3.1. Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Not Applicable				
Total				

3.2. Contract Variations and Expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
Not Applicable						
Total						

PART F: FINANCIAL INFORMATION**1. REPORT OF THE AUDITOR GENERAL****Report on the audit of the financial statements**

1. I have audited the financial statements of the Department of Transport, Safety and Liaison set out on pages 140 to 203 which comprise the appropriation statement, statement of financial position as at 31 March 2023, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Transport, Safety and Liaison as at 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 05 of 2022 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Impairment of accrued departmental revenue

7. As disclosed in note 21.2 to the financial statements, the department disclosed an impairment of accrued departmental revenue amounting to R192 423 000.

An uncertainty relating to the future outcome of exceptional litigation

8. With reference to note 16 to the financial statements, the department is involved in several lawsuits. The ultimate outcome of the matters cannot be determined at the time of the report, due to the uncertainty of litigations.

Unauthorised expenditure.

9. As disclosed in note 22 to the financial statements, unauthorised expenditure of R9 444 000 was incurred, as there was overspending on a vote.

Other matters

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

National Treasury Instruction Note No. 4 of 2022-23: PFMA Compliance and Reporting Framework

11. On 23 December 2022, the National Treasury issued Instruction Note 4 of 2022-23, which came into effect on 3 January 2023, in terms of section 76(1)(b), (e) and (f), 2(e) and (4)(a) and (c) of the PFMA. The instruction note deals with the PFMA compliance and reporting framework and addresses, among others, the disclosure of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure. Irregular expenditure and fruitless and wasteful expenditure incurred in prior financial years and not yet addressed no longer need to be disclosed in the disclosure notes to the annual financial statements. Only the current year and prior year figures are disclosed in note 22 to the financial statements of

the Department of Transport, Safety and Liaison. Movements in respect of irregular expenditure and fruitless and wasteful expenditure also no longer need to be disclosed in the notes to the annual financial statements. The disclosure of these movements (e.g., condoned, recoverable, removed, written off, under assessment, under determination and under investigation) is now included as part of the other information in the annual report of the department. I do not express an opinion on the disclosure of irregular expenditure and fruitless and wasteful expenditure in the annual report.

Unaudited supplementary schedules

12. The supplementary information set out on pages 196 to 203 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

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

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

15. 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.

16. 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

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

18. I selected the following programme presented in the annual performance report for the year ended 31 March 2023, for auditing. I selected a programme that measures the department's performance on its primary mandated functions and that is of significant national, community or public interest.

Programme	Page numbers	Purpose
Transport Regulations	53	To ensure the provision of a safe road environment through the regulations of traffic on public roads, law enforcement, the implementation of road safety campaigns and awareness programmes and the registration and licensing of vehicles and drivers

19. I evaluated the reported performance information for the selected programme against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the department's planning and delivery on its mandate and objectives.
20. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
 - the indicators are well defined and verifiable to ensure that they are easy to understand and apply consistently and that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as what was committed to in the approved initial or revised planning documents
 - the reported performance information is presented in the annual performance report in the prescribed manner
 - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.
21. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion.
22. The material findings on the performance information of the selected programme are as follows:

Programme 4 - Transport Regulations.

Number of Vehicles stopped and checked

23. An achievement of 150 482 was reported against a target of 140 000. I could not determine if the reported achievement was correct, as the processes established to consistently measure and report achievements were inadequate. Adequate supporting evidence was also not provided for auditing. Consequently, the reported achievement might be more or less than reported and was not reliable for determining if the target had been achieved.

Number of speed operations conducted

24. An achievement of 558 was reported against a target of 370. However, some supporting evidence was not provided for auditing; and, where it was, I identified material differences between the actual and reported achievements. Consequently, the achievement might be more or less than reported and was not reliable for determining if the target had been achieved.

Other matters

25. I draw attention to the matters below.

Achievement of planned targets

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

27. The department plays a key role in delivering services to South Africans. The annual performance report includes the following service delivery achievements against planned targets:

Key service delivery indicators not achieved	Planned target	Reported achievement
Programme 4 – Transport Regulations <i>Targets achieved: 89%</i> <i>Budget spent: 100%</i>		
Number of vehicles weighed	30 000	18 421

Reasons for the underachievement of targets are included in the annual performance report on pages 54 to 56.

Material misstatements

28. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of Transport regulations. Management did not correct the misstatements and I reported material findings in this regard.

Report on compliance with legislation

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

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

31. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the department, clear to allow consistent measurement and evaluation, while also sufficiently

detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

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

Expenditure management

33. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R92 230 000 as disclosed in note 22 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the irregular expenditure was caused by payments made under expired contracts.
34. Effective and appropriate steps were not taken to prevent fruitless and wasteful expenditure amounting to R344 000 as disclosed in note 22 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of fruitless and wasteful expenditure was caused by payments due to arbitration awards.
35. Payments were not made within 30 days or an agreed period after receipt of an invoice, as required by treasury regulation 8.2.3.

Revenue Management

36. Effective and appropriate steps were not taken to collect all money due, as required by section 38(1)(c)(i) of the PFMA.

Procurement and contract management

37. Some of the goods and services were procured without obtaining at least three written price quotations in accordance with Treasury Regulation 16A6.1 and paragraph 3.2.1 of SCM instruction note 2 of 2021/22. Similar non-compliance was also reported in the prior year.
38. Goods and services of a transaction value above R500 000 were procured without inviting competitive bids, as required by Treasury Regulation 16A6.1, paragraph 3.3.1 and 3.2.4(a) of NTI 02 of 2021/22, paragraph 4.1 of NTI 03 of 2021/22 and TR 16A6.4. Similar non-compliance was also reported in the prior year.

39. Invitation to tender for procurement of commodities designated for local content and production, did not stipulated the minimum threshold for local production and content as required by the 2017 Procurement Regulation 8(2). Similar non-compliance was also reported in the prior year.
40. Commodities designated for local content and production, were procured from suppliers who did not submit a declaration on local production and content in accordance with paragraph 3.4 of National Treasury Instruction Note 4 of 2015/2016.
41. Commodities designated for local content and production, were procured from suppliers who did not meet the prescribed minimum threshold for local production and content, as required by the 2017 Preferential Procurement Regulation 8(5). Similar non-compliance was also reported in the prior year.
42. Contracts were extended or modified without the approval of a properly delegated official as required by section 44 of the PFMA and Treasury Regulations 8.2.1 and 8.2.2. Similar non-compliance was also reported in the prior year.

Consequence Management

43. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred Unauthorised expenditure, Irregular expenditure and Fruitless and Wasteful expenditure as required by section 38(1)(h)(iii) of the PFMA.

Other information in the annual report

44. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected programme presented in the annual performance report that have been specifically reported on in this auditor's report.

45. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation, do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
46. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programme presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
47. The other information I obtained prior to the date of this auditor's report is the disclosure of the unauthorised, irregular and fruitless and wasteful expenditure, and the remaining information is expected to be made available to us after 31 July 2023.
48. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I have not identified any material findings.
49. When I do receive and read the remaining other information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

50. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
51. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the material findings on the annual performance report and the material findings on compliance with legislation included in this report.
52. Management did not have controls in place to ensure that material non-compliance with legislation is prevented as a result numerous material misstatements were identified of non-compliance with legislation.

53. Management did not have appropriate controls to ensure that the reported achievement on indicators are accurate, valid and complete as a result numerous material misstatements were identified on the audited indicators.

Other reports

54. I draw attention to the following engagements conducted by various parties. This report did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

55. An independent government institution is investigating allegations of fraud and corruption at the department. The investigation is still in progress at the date of the audit report.

Auditor-General

Kimberley

31 July 2023



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional skepticism

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 programme and on the department's compliance with selected requirements in key legislation.

Financial statements

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

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

significant doubt on the ability of the department to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease operating as a going concern

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

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

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and 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.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act No.1 of 1999 (PFMA)	Section 1 Section 38(1)(a)(iv); 38(1)(b);38(1)(c) 38(1)(c)(ii); 38(1)(d); 38(1)(h)(iii); Section 39(1)(a); 39(2)(a); Section 40(1)(a); 40(1)(b); 40(1)(c)(i) Section 43(4); 44; 44 (1) and (2) ; 45(b); Section 50(3); 50(3)(a)
Treasury Regulations for departments, trading entities, constitutional institutions and public entities (TR)	Treasury Regulation 7.2.1; 11.4.1; 11.4.2; 11.5.1 Treasury Regulation 4.1.1; 4.1.3 Treasury Regulation 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1 Treasury Regulation 6.3.1(a); 6.3.1(b); 6.3.1(c'); 6.3.1(d); 6.4.1(b) Treasury Regulation 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1 Treasury Regulation 9.1.1; 9.1.4 Treasury Regulation 10.1.1(a); 10.1.2 Treasury Regulation 12.5.1 Treasury Regulation 15.10.1.2(c) Treasury Regulation 16A3.1 ; 16A 3.2; 16A 3.2(a); 16A 6.1; 16A6.2(a) ,(b) & (e) ; 16A 6.3(a); 16A 6.3(a)(i);16A 6.3(b); 16A 6.3(c);16A6.3(d) ; 16A 6.3(e); 16A 6.4; 16A 6.5; 16A 6.6; 16A7.1; 16A.7.3; 16A.7.6; 16A.7.7; TR 16A8.2 (1) and (2); 16A 8.3 16A8.3 (d); 16A 8.4; 16A9; 16A9.1; 16A9.1(b)(ii);16A9.1 (c); 16A 9.1(d); 16A 9.1(e); 116A9.2; 16A9.2(a)(ii) &(iii); 16A9.1(f). Treasury Regulation 17.1.1 Treasury Regulation 18.2 Treasury Regulation 19.8.4
Division of Revenue Act No. 5 of 2022	DoRA 11(6)(a) DoRA 12(5) DoRA 16(1)
Public service regulation	Public service regulation18; 18 (1) and (2); 25(1)(e)(i); 25(1)(e)(iii)
Prevention and Combating of Corrupt Activities Act No.12 of 2004 (PRECCA)	Section 34(1)
Construction Industry Development Board Act No.38 of 2000 (CIDB)	Section 18(1)

Construction Industry Development Board Regulations	CIDB regulation 17
PPPFA	Section 2.1(a); 2.1(b); 2.1(f)
PPR 2017	Paragraph 4.1; 4.2 Paragraph 5.1; 5.3; 5.6; 5.7 Paragraph 6.1; 6.2; 6.3; 6.5; 6.6 Paragraph 7.1; 7.2; 7.3; 7.5; 7.6 Paragraph 8.2; 8.5 Paragraph 9.1; 9.2 Paragraph 10.1; 10.2 Paragraph 11.1; 11.2 Paragraph 12.1 and 12.2
PPR 2022	Paragraph 4.1; 4.2; 4.3; 4.4 Paragraph 5.1; 5.2; 5.3; 5.4
SITA ACT	Section 7(3)
National Treasury Instruction No.1 of 2015/16	Paragraph 3.1; 4.1; 4.2
NT SCM Instruction Note 03 2021/22	Paragraph 4.3; 4.4; 4.4 (a); 4.4 (c) -(d);
NT SCM Instruction Note 11 2020/21	Paragraph 3.1 and (b); 3.9; 6.1; 6.2; 6.7
NT SCM Instruction note 2 of 2021/22	Paragraph 3.2.1 and (b) ; 3.3.1; 3.2.2 Paragraph 4.1
NT instruction note 4 of 2015/16	Paragraph 3.4
Second amendment of NTI 05 of 2020/21	Paragraph 4.8; 4.9 ; 5.1 ; 5.3
Erratum NTI 5 of 202/21	Paragraph 1
Erratum NTI 5 of 202/21	Paragraph 2
Practice note 7 of 2009/10	Paragraph 4.1.2
NT instruction note 1 of 2021/22	Paragraph 4.1

APPROPRIATION STATEMENT
for the year ended 31 March 2023

2. ANNUAL FINANCIAL STATEMENTS

Appropriation per programme									
	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
Voted funds and Direct charges	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1 ADMINISTRATION	135 637	(738)	3 565	138 464	138 416	48	1	127 664	126 514
2 CIVILIAN OVERSIGHT	32 454	905	(2 444)	30 915	30 066	849	1	28 530	26 554
3 TRANSPORT OPERATIONS	83 942	0	(311)	83 631	87 856	(4 225)	1	100 888	94 391
4 TRANSPORT REGULATIONS	108 435	191	(1 168)	107 458	107 395	63	1	97 128	88 827
Programme sub total	360 468	368	(368)	360 468	363 733	(3 265)	1	364 210	336 286
Statutory Appropriation	-	-	-	-	-	-	-	-	-
TOTAL	360 468	368	- 368	360 468	363 733	- 3 265	100,9%	364 210	336 286
Reconciliation with Statement of Financial Performance									
Add:									
Departmental receipts									
NRF Receipts									
Aid assistance									
Actual amounts per Statement of Financial Performance (Total Revenue)				360 468				364 210	
Add:									
Aid assistance									
Prior year unauthorised expenditure approved without funding									
Actual amounts per Statement of Financial Performance Expenditure					363 733				336 286

DEPARTMENT OF TRANSPORT, SAFETY AND LIAISON – ANNUAL REPORT 2022/23

APPROPRIATION STATEMENT
for the year ended 31 March 2023

Appropriation per economic classification	2022/23							2021/22			
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Current payments	276 164	367	(369)	276 162	285 634	(9 472)	103,4%	283 980	276 847		
Compensation of employees	186 232	(401)	(4 691)	181 140	181 140	0	100,0%	174 509	172 606		
Goods and services	89 932	768	4 299	94 999	104 471	(9 472)	110,0%	109 448	103 218		
Interest and rent on land	-	-	23	23	23	-	100,0%	23	23		
Transfers and subsidies	70 065	-	1	70 066	64 771	5 295	92,4%	59 202	57 937		
Public corporations and private enterprises	63 581	-	-	63 581	58 363	5 218	91,8%	55 854	55 551		
Non-profit institutions	2 752	-	(214)	2 538	2 462	76	97,0%	2 282	1 320		
Households	3 732	-	215	3 947	3 946	1	100,0%	1 066	1 066		
Payments for capital assets	14 239	(9)	10	14 240	13 328	912	93,6%	11 028	2 602		
Buildings and other fixed structures	1 500	0	(651)	849	0	849	-	-	-		
Machinery and equipment	12 139	(9)	611	12 741	12 678	63	99,5%	10 882	2 356		
Software and other intangible assets	600	-	50	650	650	-	100,0%	146	146		
Payment for financial assets	-	-	-	-	-	-	-	-	-		
	-	360 468	358	-	360 468	363 733	-	3 265	100,9%	354 210	336 286

DEPARTMENT OF TRANSPORT, SAFETY AND LIAISON – ANNUAL REPORT 2022/23

APPROPRIATION STATEMENT
for the year ended 31 March 2023

Programme 1: ADMINISTRATION

	2022/23						2021/22		
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1 OFFICE OF THE MEC	14 131		955	15 086	15 038	48	1	12 655	12 655
2 MANAGEMENT	11 207	464	69	11 740	11 740		1	11 315	11 315
3 FINANCIAL MANAGEMENT	59 148	(1 202)	2 541	60 487	60 487		1	58 799	57 801
4 CORPORATE SERVICES	51 151			51 151	51 151		1	44 895	44 743
	135 637	(738)	3 565	138 464	138 416	48	1	127 664	126 514
Economic									
Current payments	129 602	(739)	3 453	132 316	132 316		1	125 666	124 658
Compensation of employees	66 351	(1 199)	(989)	64 163	64 163		1	63 259	63 259
Goods and services	63 251	460	4 419	68 130	68 130		1	62 274	61 276
Interest and rent on land			23	23	23		1	23	23
Transfers and subsidies	3 385		(540)	2 845	2 797	48	1	442	442
Non-profit institutions	221		(174)	47		47			
Households	3 164		(366)	2 798	2 797	1	1	442	442
Payments for capital assets	2 650	1	652	3 303	3 303		1	1 666	1 614
Buildings and other fixed structures									
Machinery and equipment	2 050	1	602	2 653	2 653		1	1 520	1 368
Software and other intangible assets	600		50	650	650		1	146	146
Payment for financial assets									
	135 637	(738)	3 565	138 464	138 416	48	100%	127 664	126 514

DEPARTMENT OF TRANSPORT, SAFETY AND LIAISON – ANNUAL REPORT 2022/23

APPROPRIATION STATEMENT
for the year ended 31 March 2023

Programme 2: CIVILIAN OVERSIGHT

	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1 PROGRAMME SUPPORT	17 379	(87)	(1 808)	15 484	14 635	849	94,5%	14 885	12 920
2 POLICY AND RESEARCH	2 151	22	(142)	2 031	2 031		100,0%	1 686	1 686
3 MONITORING AND EVALUATION	3 620	798	(314)	4 104	4 104		100,0%	3 728	3 728
4 SAFETY PROMOTION	4 018		(166)	3 852	3 852		100,0%	3 625	3 625
5 COMMUNITY POLICE RELATIONS	5 286	172	(14)	5 444	5 444		100,0%	4 606	4 595
	32 454	905	(2 444)	30 915	30 066	849	97,3%	28 530	26 554
Economic classification									
Current payments	30 196	915	(1 872)	29 239	29 239		100,0%	27 983	26 080
Compensation of employees	24 149	798	(2 473)	22 474	22 474		100,0%	23 434	21 531
Goods and services	6 047	117	601	6 765	6 765		100,0%	4 549	4 549
Interest and rent on land							-		
Transfers and subsidies	256		75	331	331		100,0%	113	113
Public corporations and private enterprises							-		
Non-profit institutions							-		
Households	256		75	331	331		100,0%	113	113
Payments for capital assets	2 002	(10)	(647)	1 345	496	849	36,9%	434	361
Buildings and other fixed structures	1 500		(651)	849		849	-		
Machinery and equipment	502	(10)	4	496	496		100,0%	434	361
Software and other intangible assets							-		
Payment for financial assets							-		
	32 454	905	(2 444)	30 915	30 066	849	97,3%	28 530	26 554

APPROPRIATION STATEMENT
for the year ended 31 March 2023

Programme 3: TRANSPORT OPERATIONS

	2022/23						2021/22		
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1 PROGRAMMESUPPORT	2 111	37	27	2 175	2 175		100%	1 762	1 762
2 PUBLIC TRANSPORT SERVICES	66 618	(34)	250	66 834	61 616	5 218	92%	68 812	63 549
3 TRANSPORT SYSTEMS	2 813		492	3 305	3 305		100%	3 410	3 138
4 INFRASTRUCTURE OPERATIONS	2 878		250	3 128	12 600	(9 472)	403%	20 154	20 154
5 OPERATOR LICENCE AND PERMITS	9 522	(3)	(1 330)	8 189	8 160	29	100%	6 750	5 788
	83 942		(311)	83 631	87 856	(4 225)	105%	100 888	94 391
Ecor									
Current payments	17 689		(276)	17 413	26 885	(9 472)	154%	42 377	37 145
Compensation of employees	14 260		(742)	13 518	13 518		100%	12 128	12 128
Goods and services	3 429		466	3 895	13 367	(9 472)	343%	30 249	25 017
Interest and rent on land							0%		
Transfers and subsidies	66 112		(40)	66 072	60 826	5 247	92%	68 464	67 199
Public corporations and private enterprises	63 581			63 581	58 363	5 218	92%	55 854	55 551
Non-profit institutions	2 531		(40)	2 491	2 462	29	99%	2 282	1 320
Households							0%	328	328
Payments for capital assets	141		5	146	146		100%	47	47
Buildings and other fixed structures							0%		
Machinery and equipment	141		5	146	146		100%	47	47
Software and other intangible assets							0%		
Payment for financial assets							0%		
	83 942		(311)	83 631	87 856	(4 225)	105%	100 888	94 391

DEPARTMENT OF TRANSPORT, SAFETY AND LIAISON – ANNUAL REPORT 2022/23

APPROPRIATION STATEMENT
for the year ended 31 March 2023

Programme 4: TRANSPORT REGULATIONS

	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1 PROGRAMME SUPPORT	2 546	33	335	2 914	2 914		100%	2 031	2 031
2 TRAFFIC ADMINISTRATION AND LICENSING	10 650	183	(769)	10 064	10 064		100%	9 595	9 595
3 ROAD SAFETY EDUCATION	2 982		309	3 291	3 291		100%	2 598	2 598
4 TRAFFIC LAW ENFORCEMENT	92 257	(25)	(1 043)	91 189	91 126	63	100%	82 904	74 603
	108 435	191	(1 168)	107 458	107 395	63	100%	97 128	88 827
Economic									
Current payments	88 677	191	(1 674)	97 194	97 194		0%		
Compensation of employees	81 472		(487)	80 985	80 985		100%	88 064	88 064
Goods and services	17 205	191	(1 187)	16 209	16 209		100%	75 688	75 688
Interest and rent on land							100%	12 376	12 376
Transfers and subsidies	312		506	818	818		0%		
Households	312		506	818	818		100%	183	183
Payments for capital assets	9 446			9 446	9 383	63	99%	8 881	580
Buildings and other fixed structures							0%		
Machinery and equipment	9 446			9 446	9 383	63	99%	8 881	580
Software and other intangible assets							0%		
Payment for financial assets							0%		
	108 435	191	(1 168)	107 458	107 395	63	100%	97 128	88 827

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2023

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

Detail of these transactions can be viewed in the note on Transfers and Subsidies, and Annexure 1A-H of the Annual Financial Statements.

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

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

3. Detail on payments for financial assets

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

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

4.1 Per programme

Programme	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
1. ADMINISTRATION	138 465	138 417	48	0%
2 CIVILIAN OVERSIGHT	30 915	30 066	849	3%
3 TRANSPORT OPERATIONS	83 631	87 856	(4 225)	-5%
4 TRANSPORT REGULATIONS	107 457	107 394	63	0%
Total	360 468	363 733	(3 265)	-1%

The Variance of 5% under Transport Operations are as a result of overspending incurred for the Infrastructure Project (Port Nolloth Harbour)

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2023

4.2 Per economic classification

Economic classification	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Current payments	276 164	285 636	(9 472)	103,4%
Compensation of employees	181 143	181 143	-	100,0%
Goods and services	94 998	104 470	(9 472)	110,0%
Interest and rent on land	23	23	-	100,0%
Transfers and subsidies	70 065	64 770	5 295	92,4%
Public corporations and private enterprises	63 581	58 363	5 218	91,8%
Non-profit institutions	2 538	2 462	76	97,0%
Households	3 946	3 945	1	100,0%
Payments for capital assets	14 239	13 327	912	93,6%
Buildings and other fixed structures	849	-	849	-
Machinery and equipment	12 740	12 677	63	99,5%
Intangible assets	650	650	-	100,0%
Payments for financial assets	-	-	-	--
Total				

4.3 Per conditional grant

Conditional grant	Final Budget	Actual Expenditure	Variance	Variance as a percentage of Final Budget
	R'000	R'000	R'000	%
EPWP Incentive Grant	1 509	1 508	1	0%
Public Transport Operational Grant	63 581	58 363	5 218	8%
Total	65 090	59 871	5 219	8%

The 8% variance of unspent funds within the Public Transport Operation Grant is due to accruals of March 2023.

STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
REVENUE			
Annual appropriation	<u>1</u>	360,468	354,210
Statutory appropriation	<u>1</u>	-	-
Departmental revenue	<u>2</u>	-	-
		-	-
TOTAL REVENUE		360,468	354,210
EXPENDITURE			
Current expenditure			
Compensation of employees	<u>3</u>	181,140	172,606
Goods and services	<u>4</u>	104,471	103,218
Interest and rent on land	<u>5</u>	23	23
Aid assistance		-	-
Total current expenditure		285,634	275,847
Transfers and subsidies			
Transfers and subsidies	<u>6</u>	64,771	57,937
Aid assistance		-	-
Total transfers and subsidies		64,771	57,937
Expenditure for capital assets			
Tangible assets	<u>7</u>	12,678	2,356
Intangible assets	<u>7</u>	650	146
Total expenditure for capital assets		13,328	2,502
Unauthorised expenditure approved without funding		-	-
Payments for financial assets			
TOTAL EXPENDITURE		363,733	336,286
SURPLUS/(DEFICIT) FOR THE YEAR		-3,265	17,924
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds		-3,265	17,924
Annual appropriation		-8,484	12,378
Statutory Appropriation		-	-
Conditional grants		5,219	5,546
SURPLUS/(DEFICIT) FOR THE YEAR		-3,265	17,924

STATEMENT OF FINANCIAL POSITION
as at 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
ASSETS			
Current Assets		8,360	1,007
Prepayments and advances	<u>8</u>	5	14
Receivables	<u>9</u>	8,355	993
Non-Current Assets		-	7,959
Receivables	<u>9</u>	-	7,959
TOTAL ASSETS		8,360	8,966
LIABILITIES			
Current Liabilities		46,396	37,558
Voted funds to be surrendered to the Revenue Fund	<u>10</u>	6,179	17,924
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	<u>11</u>	18,238	17,130
Bank overdraft	<u>12</u>	20,350	823
Payables	<u>13</u>	1,629	1,681
Non-Current Liabilities		-	-
Payables		-	-
TOTAL LIABILITIES		46,396	37,558
NET ASSETS		-38,036	-28,592
Represented by:		-	-
Capitalisation reserve		-	-
Recoverable revenue		7,344	7,344
Retained funds		-	-
Revaluation reserves		-	-
Unauthorised expenditure		-45,380	-35,936
TOTAL		-38,036	-28,592

STATEMENT OF CHANGES IN NET ASSETS
as at 31 March 2023

NET ASSETS	Note	2022/23 R'000	2021/22 R'000
Capitalisation Reserves			
Opening balance		-	-
Transfers:		-	-
Movement in Equity		-	-
Movement in Operational Funds		-	-
Other movements		-	-
Closing balance		-	-
Recoverable revenue			
Opening balance		7,344	7,344
Transfers		-	-
Irrecoverable amounts written off		-	-
Debts revised		-	-
Debts recovered (included in departmental receipts)		-	-
Debts raised		-	-
Closing balance		7,344	7,344
Retained funds			
Opening balance		-	-
Transferred from voted funds to be surrendered (Parliament/Legislatures ONLY)		-	-
Utilised during the year		-	-
Other		-	-
Closing balance		-	-
Revaluation Reserves			
Opening balance		-	-
Revaluation adjustment (Housing departments)		-	-
Transfers		-	-
Other		-	-
Closing balance		-	-
Unauthorised expenditure			
Opening balance		-35,936	-35,936
Unauthorised expenditure - current year		-9,444	-
Relating to overspending of the vote or main division within the vote		-9,444	-
Incurred not in accordance with the purpose of the vote or main division		-	-
Amounts approved by Parliament/Legislature with funding		-	-
Amounts approved by Parliament/Legislature without funding and derecognised		-	-
Current		-	-
Capital		-	-
Transfers and subsidies		-	-
Amounts recoverable		-	-
Amounts written off		-	-
Closing balance		-45,380	-35,936
TOTAL		-38,036	-28,592

CASH FLOW STATEMENT
for the period ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		691,901	689,574
Annual appropriated funds received	1.1	360,468	354,210
Statutory appropriated funds received		-	-
Departmental revenue received	2	331,433	335,364
Net (increase)/ decrease in working capital		-7,405	-2,512
Surrendered to Revenue Fund		-350,762	-342,417
Surrendered to RDP Fund/Donor		-	-
Current payments		-285,611	-275,824
Interest paid	5	-23	-23
Payments for financial assets		-	-
Transfers and subsidies paid		-64,771	-57,937
Net cash flow available from operating activities	14	-16,671	10,861
CASH FLOWS FROM INVESTING ACTIVITIES			
Distribution/dividend received		-	-
Payments for capital assets	7	-13,328	-2,502
Proceeds from sale of capital assets	2.3	2,513	-
(Increase)/ decrease in loans		-	-
(Increase)/ decrease in investments		-	-
(Increase)/ decrease in other financial assets		-	-
(Increase)/decrease in non-current receivables	9	7,959	-94
Net cash flows from investing activities		-2,856	-2,596
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/ (decrease) in net assets		-	-
Increase/ (decrease) in non-current payables		-	-
Net cash flows from financing activities		-	-
Net increase/ (decrease) in cash and cash equivalents		-19,527	8,265
Cash and cash equivalents at beginning of period		-823	-9,088
Unrealised gains and losses within cash and cash equivalents		-	-
Cash and cash equivalents at end of period	15	-20,350	-823

ACCOUNTING POLICY
for the year ended 31 March 2023

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 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 comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).

Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.

Appropriated funds are measured at the amounts receivable.

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

7.2 Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.

Departmental revenue is measured at the cash amount received.

In-kind donations received are recorded in the notes to the financial statements on the date of receipt and are measured at fair value.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

7.3 Accrued departmental revenue

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and
- the amount of revenue can be measured reliably.

The accrued revenue is measured at the fair value of the consideration receivable.

Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.

Write-offs are made according to the department's debt write-off policy.

8. Expenditure

8.1 Compensation of employees

8.1.1 Salaries and wages

Salaries and wages are recognised in the statement of financial performance on the date of payment.

8.1.2 Social contributions

Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.

Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.

8.2 Other expenditure

Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.

Donations made in kind are recorded in the notes to the financial statements on the date of transfer and are measured at cost or fair value.

8.3 Accruals and payables not recognised

Accruals and payables not recognised are recorded in the notes to the financial statements at cost or fair value at the reporting date.

8.4 Leases**8.4.1 Operating leases**

Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue.

The operating lease commitments are recorded in the notes to the financial statements.

8.4.2 Finance leases

Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue.

The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.

Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:

- cost, being the fair value of the asset; or
- the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

9. Aid assistance**9.1 Aid assistance received**

Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.

CARA Funds are recognised when receivable and measured at the amounts receivable.

Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.

9.2 Aid assistance paid

Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.

10. Cash and cash equivalents

Cash and cash equivalents are stated at cost in the statement of financial position.

Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

11. Prepayments and advances

Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.

Prepayments and advances are initially and subsequently measured at cost.

12. Loans and receivables

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.

13. Investments

Investments are recognised in the statement of financial position at cost.

14. Financial assets

14.1 Financial assets (not covered elsewhere)

A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

14.2 Impairment of financial assets

Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.

15. Payables

Payables recognised in the statement of financial position are recognised at cost.

16. Capital assets

16.1 Immovable capital assets

Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.

16.2 Movable capital assets

Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.

Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Biological assets are subsequently carried at fair value

Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.

16.3 Intangible capital assets

Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.

Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.

Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.

Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

16.4 Project costs: Work-in-progress

Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.

Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.

Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.

17. Provisions and contingents

17.1 Provisions

Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

17.2 Contingent liabilities

Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

17.3 Contingent assets

Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.

17.4 Capital commitments

Capital commitments are recorded at cost in the notes to the financial statements.

18. Unauthorised expenditure

Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

Unauthorised expenditure is recognised in the statement of changes in net assets until such time as the expenditure is either:

- approved by Parliament or the Provincial Legislature with funding and the related funds are received; or
- approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or
- transferred to receivables for recovery.

Unauthorised expenditure recorded in the notes to the financial statements comprise of

- unauthorised expenditure that was under assessment in the previous financial year;
- unauthorised expenditure relating to previous financial year and identified in the current year; and
- Unauthorised incurred in the current year.

19. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed, and comprises of .

- fruitless and wasteful expenditure that was under assessment in the previous financial year;
- fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and
- fruitless and wasteful expenditure incurred in the current year.

20. Irregular expenditure

Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.

Irregular expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises of:

- irregular expenditure that was under assessment in the previous financial year;
- irregular expenditure relating to previous financial year and identified in the current year; and
- irregular expenditure incurred in the current year.

21. Changes in accounting estimates and errors

Changes in accounting estimates are applied prospectively in accordance with MCS requirements.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

22. Events after the reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.

23. Principal-Agent arrangements

The department is party to a principal-agent arrangement for collecting Motor Vehicle Licence Tax on every motor vehicle that uses public roads. In terms of the arrangement the department is the principal and is responsible for collecting Motor Vehicle Licence Tax. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate

24. Departures from the MCS requirements

Management has concluded that the financial statements are presented fairly and that the department's primary and secondary information; complies with the Modified Cash Standards.

25. Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.

26. Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

27. Related party transactions

Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.

The full compensation of key management personnel is recorded in the notes to the financial statements

28. Inventories (Effective from date determined by the Accountant-General)

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.

29. 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.

30. Employee benefits

The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is recorded in the Employee benefits note.

Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date.

The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

31. Transfer of functions

Transfer of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer.

Transfer of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.

32. Mergers

Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger.

Mergers are accounted for by the combining departments by derecognising or removing assets and liabilities at their carrying amounts at the date of the merger.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

PART B: EXPLANATORY NOTES

1. Annual Appropriation

1.1. Annual Appropriation

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

Programmes	2022/23			2021/22		
	Final Budget	Actual Funds Received	Funds not requested/ not received	Final Budget	Appropriation Received	Funds not requested/ not received
	R'000	R'000	R'000	R'000	R'000	R'000
1) ADMINISTRATION	135 637	135 637	-	127 415	127 415	-
2) CIVILIAN OVERSIGHT	32 454	32 454	-	30 989	30 989	-
3) TRANSPORT OPERATIONS	83 942	83 942	-	93 420	93 420	-
4) TRANSPORT REGULATIONS	108 435	108 435	-	102 386	102 386	-
Total	360 468	360 468	-	354 210	354 210	-

1.2 Conditional grants

	Note	2022/23 R'000	2021/22 R'000
Total grants received	28	65,090	66,683
Provincial grants included in Total Grants received		65,090	66,683

2. Departmental revenue

	Note	2022/23 R'000	2021/22 R'000
Tax revenue		310,750	314,450
Sales of goods and services other than capital assets	2.1	19,646	19,476
Fines, penalties and forfeits	2.2	486	912
Sales of capital assets	2.3	2,513	-
Transactions in financial assets and liabilities	2.4	551	526
Total revenue collected		333,946	335,364
Less: Own revenue included in appropriation	11	333,946	335,364
Departmental revenue collected		-	-

Adjustment budget was R355 594.00, Under collection of R21 648 000.00. Under collections is mainly as a result of collecting agencies not paying over all money collected on time. Included in the tax revenue is the amount that was paid for penalties and arrears by the motorists who defaulted in renewing their motor vehicle license

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

2.1 Sales of goods and services other than capital assets

	Note <u>2</u>	2022/23 R'000	2021/22 R'000
Sales of goods and services produced by the department		19 646	19 476
Sales by market establishment		322	345
Administrative fees		19 108	18 916
Other sales		216	215
Sales of scrap, waste and other used current goods		-	-
Total		19 646	19 476

Admin fees: Abnormal Loads make up the bulk of the said amount

2.2 Fines, penalties and forfeits

	Note <u>2</u>	2022/23 R'000	2021/22 R'000
Fines		472	897
Penalties		-	-
Forfeits		14	15
Total		486	912

2.3 Sales of capital assets

	Note <u>2</u>	2022/23 R'000	2021/22 R'000
Tangible capital assets		2 513	-
Buildings and other fixed structures		-	-
Machinery and equipment		2 513	-
Intangible capital assets		-	-
Software		-	-
Total		2 513	-

Sale of motor vehicles, caravans and trailers

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

2,4	Transactions in financial assets and liabilities	Note	2022/23	2021/22
		<u>2</u>	R'000	R'000
	Loans and advances		-	-
	Receivables		5	5
	Forex gain		-	-
	Other Receipts including Recoverable Revenue		546	521
	Gains on GFECRA		-	-
	Total		<u>551</u>	<u>526</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

3. Compensation of employees

	2022/23	2021/22
	R'000	R'000
3.1 Salaries and wages		
Basic salary	118 191	111 993
Performance award	-	796
Service Based	491	517
Compensative/circumstantial	7 037	5 167
Periodic payments	2 604	2 387
Other non-pensionable allowances	26 372	28 349
Total	<u>154 695</u>	<u>149 209</u>
	<i>Note</i>	2021/22
	3	R'000
3.2 Social Contributions		
Employer contributions	-	-
Pension	14 906	13 211
Medical	11 247	9 851
UIF	-	-
Bargaining council	41	39
Official unions and associations	-	-
Insurance	251	296
Total	<u>26 445</u>	<u>23 397</u>
Total compensation of employees	<u>181 140</u>	<u>172 606</u>
Average number of employees	<u>452</u>	<u>407</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

4. Goods and services

	Note	2022/23	2021/22
	4	R'000	R'000
Administrative fees		32 982	31 114
Advertising		708	656
Minor assets	4.1	141	54
Bursaries (employees)		343	172
Catering		1 269	995
Communication		2 899	3 106
Computer services	4.2	905	935
Consultants: Business and advisory services		11 277	18 377
Legal services		-	1 774
Contractors		1 152	1 269
Agency and support / outsourced services		-	52
Audit cost – external	4.3	5 052	4 971
Fleet services		7 767	5 276
Inventories	4.4	-	25
Consumables	4.5	4 345	8 812
Operating leases		16 746	13 971
Property payments	4.6	2 134	2 489
Transport provided as part of the departmental activities		-	180
Travel and subsistence	4.7	14 978	8 353
Venues and facilities		491	180
Training and development		285	47
Other operating expenditure	4.8	997	410
Total		<u>104 471</u>	<u>103 218</u>

Consultants: Project came to an end. Fleet services, Travel and Subsistence: Covid restrictions was lifted therefore officials could travel more and the households was reduced because the Department did not procure a high volume of sanitisors

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

	Note	R'000	R'000
4.4 Inventory	<u>4</u>		
Other supplies	4.4.1	-	25
Total		<u>-</u>	<u>25</u>
4.4.1 Other Supplies			
Ammunition and security supplies		-	25
Total	<u>4.4</u>	<u>-</u>	<u>25</u>
	Note	2022/23	2021/22
4.5 Consumables		R'000	R'000
Consumable supplies		2 504	6 762
Uniform and clothing		790	126
Household supplies		763	5 742
Building material and supplies		50	68
Communication accessories		3	-
IT consumables		42	24
Other consumables		856	802
Stationery, printing and office supplies		1 841	2 050
Total		<u>4 345</u>	<u>8 812</u>

Due to the covid restrictions being lifted, the Department did not procure large quantities of sanitiser

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

4.6 Property payments

	<i>Note</i> <u>4</u>	2022/23 R'000	2021/22 R'000
		-	0
Municipal services		492	1 332
Property maintenance and repairs		211	142
Other		1 431	1 015
Total		<u>2 134</u>	<u>2 489</u>

4.7 Travel and subsistence

	<i>Note</i> <u>4</u>	2022/23 R'000	2021/22 R'000
Local		14 978	8 353
Total		<u>14 978</u>	<u>8 353</u>

With the lifting of Covid restrictions, officials may have the opportunity to travel more frequently

4.8 Other operating expenditure

	<i>Note</i> <u>4</u>	2022/23 R'000	2021/22 R'000
Resettlement costs		190	-
Other		807	410
Total		<u>997</u>	<u>410</u>

Other operating expenditure has increased due to the retrieval of boxes for verifying payments related to irregular expenditures, resulting in higher storage fees.

	<i>Note</i> <u>5</u>	2022/23 R'000	2021/22 R'000
5 Interest and Rent on Land			
Interest paid		23	23
Rent on land		-	-
Total		<u>23</u>	<u>23</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

6 Transfers and Subsidies

	Note	2022/23	2021/22
	<u>6</u>	R'000	R'000
Provinces and municipalities		-	-
Departmental agencies and accounts	ANNEXURE 1B	-	-
Higher education institutions	ANNEXURE 1C	-	-
Foreign governments and international organisations	ANNEXURE 1E	-	-
Public corporations and private enterprises	ANNEXURE 1D	58 363	55 551
Non-profit institutions	ANNEXURE 1F	2 462	1 320
Households	ANNEXURE 1G	3 946	1 066
Total		<u>64 771</u>	<u>57 937</u>

There was 6 claims against the state that was paid

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

7 Expenditure of Capital Assets

	Note	2022/23	2021/22
	7	R'000	R'000
Tangible capital assets		12 678	2 356
Buildings and other fixed structures		-	-
Heritage assets		-	-
Machinery and equipment	<u>24</u>	12 678	2 356
Specialised military assets		-	-
Land and subsoil assets		-	-
Biological assets		-	-
		-	-
Intangible capital assets	<u>25</u>	650	146
Software		650	146
Mastheads and publishing titles		-	-
Patents, licences, copyright, brand names, trademarks		-	-
Recipes, formulae, prototypes, designs, models		-	-
Services and operating rights		-	-
		-	-
Total		13 328	2 502

computer equipment, totaling R2,257,291.65. This amount comprises R1,329,744.72 for transportation equipment and R927,546.93 for other machinery.

The following amounts have been included as project costs	-	-
Compensation of employees	-	-
Goods and services	-	-
Total	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

7.1 Analysis of funds utilised to acquire capital assets - 2022/23

	Voted Funds R'000	Aid assistance R'000	TOTAL R'000
Tangible capital assets	12 678	-	12 678
Buildings and other fixed structures	-	-	-
Heritage assets	-	-	-
Machinery and equipment	12 678	-	12 678
Intangible capital assets	650	-	650
Software	650	-	650
	-	-	-
	13 328	-	13 328

Bought vehicles and computers and finance leases is included in capital amount

7.2 Analysis of funds utilised to acquire capital assets - 2021/22

	Voted Funds R'000	Aid assistance R'000	
Tangible capital assets	2 356	-	2 356
Buildings and other fixed structures	-	-	-
Machinery and equipment	2 356	-	2 356
Intangible capital assets	146	-	146
Software	146	-	146
	-	-	-
Total	2 502	-	2 502

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

7.3 Finance lease expenditure included in Expenditure for capital asset	2022/23 R'000	2021/22 R'000
Tangible capital assets	-	-
Buildings and other fixed structures	-	-
Heritage assets	-	-
Machinery and equipment	2 257	1 775
Specialised military assets	-	-
Land and subsoil assets	-	-
Biological assets	-	-
	-	-
Total	2 257	1 775

Finance leases included in capital are as follows:

Transport equipment finance lease: R1 329 744.72

Other machinery finance lease: R927 546.93

Total finance lease: R2 257 291.65

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

8 Prepayments and Advances

	Note 8	2022/23 R'000	2021/22 R'000
Staff advances		-	-
Travel and subsistence		-	9
Prepayments (Not expensed)	8.2	5	5
Advances paid (Not expensed)	8.1	-	-
SOCPEN advances			
Total		5	14

Analysis of Total Prepayments and advances

Current Prepayments and advances	5	14
Non-current Prepayments and advances	-	-
Total	5	14

8.1 Prepayments (Not expensed)

	Note	Balance as at 1 April 2022 R'000	Less: Amount expensed in current year R'000	Add: Current Year prepay- ments R'000	Balance as at 31 March 2023 R'000
<i>Listed by economic classification</i>	8				
Goods and services		-	-	-	-
Interest and rent on land		-	-	-	-
Transfers and subsidies		-	-	-	-
Capital assets		-	-	-	-
Other		5	-	-	5
Total		5	-	-	5

	Note	Balance as at 1 April 2021 R'000	Less: Amount expensed in current year R'000	Add: Current Year prepay- ments R'000	Balance as at 31 March 2022 R'000
8.2 Prepayments (Not expensed)	8				
<i>Listed by economic classification</i>					
Goods and services		-	-	-	-
Interest and rent on land		-	-	-	-
Transfers and subsidies		-	-	-	-
Capital assets		-	-	-	-
Other		5	-	-	5
Total		5	-	-	5

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

9 Receivables

	Note	2022/23			2021/22		
		Current R'000	Non-current R'000	Total R'000	Current R'000	Non-current R'000	Total R'000
Claims recoverable	<u>9.1</u>	-	-	-	-	-	-
Trade receivables	<u>9.2</u>	-	-	-	-	-	-
Recoverable expenditure	<u>9.3</u>	-	-	-	-	-	-
Staff debt	<u>9.4</u>	40	-	40	993	-	993
Other receivables	<u>9.5</u>	8 315	-	8 315	-	7 959	7 959
Total		8 355	-	8 355	993	7 959	8 952

If the department does not have an arrangement ordinarily in a form of an agreement, the amount due on the outstanding debt is expected to be realised within twelve months after the reporting date. Thus the full outstanding debt should be classified as current assets.

9.1 Claims recoverable

	Note <u>9</u>	2022/23 R'000	2021/22 R'000
National departments		-	-
Provincial departments		-	-
Foreign governments		-	-
Public entities		-	-
Private enterprises		-	-
Higher education institutions		-	-
Households and non-profit institutions		-	-
Local governments		-	-
Total		-	-

9.2 Trade receivables

	Note <u>9</u>	2022/23 R'000	2021/22 R'000
Total		-	-

9.3 Recoverable expenditure

	Note <u>9</u>	2022/23 R'000	2021/22 R'000
Total		-	-

9.4 Staff debt

	Note <u>9</u>	2022/23 R'000	2021/22 R'000
Debt Account		22	834
Sal: Income Tax		-	159
Sal: Reversal account		16	-
Sal: Pension fund		2	-
Total		40	993

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

9.5 Other receivables

	<i>Note</i> <u>9</u>	2022/23 R'000	2021/22 R'000
Statutory Appropriation receivables		-	-
Unauthorised expenditure		-	-
Irregular expenditure		-	-
Fruitless and wasteful expenditure		-	-
Suppliers Debt		7 470	7 344
Ex-employees debt		845	615
Total		<u>8 315</u>	<u>7 959</u>

9.6 Impairment of receivables

	<i>Note</i> <u>9</u>	2022/23 R'000	2021/22 R'000
Estimate of impairment of receivables		376	-
Total		<u>376</u>	<u>-</u>

Impairment was done on basis of irrecoverable debts

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

10 Voted Funds to be Surrendered to the Revenue Fund	Note	2022/23 R'000	2021/22 R'000
	10		
Opening balance		17 924	9 681
Prior period error	10.1	-	-
As restated		17 924	9 681
Transfer from statement of financial performance (as restated)		-3 265	17 924
Add: Unauthorised expenditure for current year		9 444	-
Voted funds not requested/not received	1.1	-	-
Conditional grants surrendered by the provincial depart	10.2	-	-
Paid during the year		-17 924	-9 681
Closing balance		6 179	17 924

All savings was surrendered to revenue fund

10.1 Prior period error

	Note	2021/22 R'000
	10	
Nature of prior period error		-
Relating to 2021/22		-
Total		-

10.2 Reconciliation of unspent conditional grants

	Note	2022/23 R'000	2021/22 R'000
Total conditional grants received	1.2	65 090	66 683
Total conditional grants spent	0	-59 871	-61 137
Unspent conditional grants to be surrendered	0	5 219	5 546
Less: Paid to the Provincial Revenue Fund by Provincia	0	-	-5 546
Approved for rollover	0	-	-
Not approved for rollover	0	-	-5 546
Add: Received from provincial revenue fund by national	0	-	-
Due by the Provincial Revenue Fund		5 219	-

Saving will be paid over to Revenue Fund and roll over will be requested

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

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

	Note	2022/23	2021/22
	11	R'000	R'000
Opening balance		17 130	14 502
Prior period error		-	-
As restated	<u>11.1</u>	17 130	14 502
Transfer from Statement of Financial Performance (as restated)		-	-
Own revenue included in appropriation		333 946	335 364
Transfer to voted funds to defray expenditure	<u>11.1</u>	-	-
Paid during the year		-332 838	-332 736
Closing balance		18 238	17 130

11.1 Prior period error

	Note	2021/22
		R'000
Nature of prior period error	<u>11</u>	-
Relating to 2021/22		-
Total		-

12 Bank Overdraft

	Note	2022/23	2021/22
	<u>12</u>	R'000	R'000
Consolidated Paymaster General Account		20 350	823
Total		20 350	823

Unauthorised Expenditure is the main contributor to the bank overdraft
--

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

	Note	2022/23	2021/22
		R'000	R'000
13 Payables - current			
Amounts owing to other entities		1 387	1 597
Advances received	<u>13,1</u>	-	-
Clearing accounts	<u>13,2</u>	129	43
Other payables	<u>13,3</u>	113	41
Total		<u>1 629</u>	<u>1 681</u>
13.1 Advances received			
	Note	2022/23	2021/22
		R'000	R'000
National departments	<u>Annex 8B</u>	-	-
Provincial departments	<u>Annex 8B</u>	-	-
Public entities	<u>Annex 8B</u>	-	-
Other institutions	<u>Annex 8B</u>	-	-
Total		<u>-</u>	<u>-</u>
13.2 Clearing accounts			
	Note	2022/23	2021/22
		R'000	R'000
	<u>13</u>		
<i>(Identify major categories, but list material amounts)</i>			
Debt receivable income		129	43
Total		<u>129</u>	<u>43</u>
13.3 Other payables			
	Note	2022/23	2021/22
		R'000	R'000
	<u>13</u>		
GEHS Refunds		113	- 41
Total		<u>113</u>	<u>- 41</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

14 Net cash flow available from operating activities

	<i>Note</i> 14	2022/23 R'000	2021/22 R'000
Net surplus/(deficit) as per Statement of Financial Performance		-3 265	17 924
Add back non cash/cash movements not deemed operating activities		-13 406	-7 063
(Increase)/decrease in receivables		-7 362	-907
(Increase)/decrease in prepayments and advances		9	59
(Increase)/decrease in other current assets		-	-
Increase/(decrease) in payables – current		-52	-1 664
Proceeds from sale of capital assets		-2 513	-
Proceeds from sale of investments		-	-
(Increase)/decrease in other financial assets		-	-
Expenditure on capital assets		13 328	2 502
Surrenders to Revenue Fund		-350 762	-342 417
Surrenders to RDP Fund/Donor		-	-
Voted funds not requested/not received		-	-
Own revenue included in appropriation		333 946	335 364
Other non-cash items		-	-
Net cash flow generated by operating activities		-16 671	10 861

15 Reconciliation of cash and cash equivalents for cash flow purposes

	<i>Note</i> 15	2022/23 R'000	2021/22 R'000
Consolidated Paymaster General account		-20 350	-823
Total		-20 350	-823

Unauthorised Expenditure is the main contributor to the bank overdraft

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

16 Contingent liabilities and contingent assets**16.1 Contingent liabilities**

Liable to	Nature	Note 16	2022/23 R'000	2021/22 R'000
Motor vehicle guarantees	Employees	<u>Annex 3A</u>	-	-
Housing loan guarantees	Employees	<u>Annex 3A</u>	-	-
Other guarantees		<u>Annex 3A</u>	-	-
Claims against the department		<u>Annex 3B</u>	6 479	4 940
Intergovernmental payables		<u>Annex 5</u>	25 796	-
Environmental rehabilitation liability		<u>Annex 3B</u>	-	-
Other		<u>Annex 3B</u>	-	-
Total			<u>32 275</u>	<u>4 940</u>

Only a single new legal case was reported. e Road Traffic Management Corporation (RTMC) has been reported, with an unconfirmed amount of R25 million in outstanding payments between government entities.

16.2 Contingent assets

Nature of contingent asset	Note	2022/23 R'000	2021/22 R'000
Claims against supplier		<u>29 723</u>	<u>29 723</u>
Total		<u>29 723</u>	<u>29 723</u>

Court case against supplier

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

17 Capital commitments

	Note	2022/23	2021/22
	17	R'000	R'000
Machinery and equipment		34	8 535
Intangible assets		-	112
Total		34	8 647

The previous year's total includes expenses related to speed cameras and vehicles.

18 Accruals and payables not recognised

				2022/23	2021/22
				R'000	R'000
18.1 Accruals					
	Listed by economic classification	30 days	30+ days	Total	Total
	Goods and services	4 230	-	4 230	5 303
	Interest and rent on land	-	-	-	-
	Transfers and subsidies	5 335	-	5 335	-
	Capital assets	50	-	50	129
	Other	-	-	-	-
	Total	9 615	-	9 615	5 432
		Note		2022/23	2021/22
	Listed by programme level	18		R'000	R'000
	Administration			4 026	4 544
	Civilian Oversight			80	288
	Transport Operations			5 342	25
	Transport Regulations			167	575
	Total			9 615	5 432
18.2 Payables not recognised					
	Listed by economic classification	30 days	30+ days	Total	Total
	Goods and services	1 774	512	2 286	774
	Interest and rent on land	-	-	-	-
	Transfers and subsidies	-	-	-	-
	Capital assets	21	-	21	35
	Other	-	-	-	-
	Total	1 795	512	2 307	809
		Note		2022/23	2021/22
	Listed by programme level	18		R'000	R'000
	Administration			1 806	374
	Civilian Oversight			93	19
	Transport Operations			106	2
	Transport Regulations			302	414
	Total			2 307	809

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
<i>Included in the above totals are the following:</i>			
Confirmed balances with departments	Annex 5	47	-
Confirmed balances with other government entities	Annex 5	-	-
Total		47	-

	Note	2022/23	2021/22
19 Employee benefits	19		R'000
Leave entitlement		9 272	10 982
Service bonus		5 202	4 616
Performance awards		-	-
Capped leave		4 679	4 681
Other		246	149
Total		19 399	20 428

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

20 Lease commitments

20.1 Operating leases

2022/23	Specialise	Land	Buildings and	Machiner	Total
	d military		other fixed	y and	
	assets		structures	equipmen	
	R'000	R'000	R'000	t	R'000
				R'000	
Not later than 1 year	-	-	14,571	-	14,571
Later than 1 year and not later than 5 years	-	-	9,793	-	9,793
Later than five years	-	-	4,013	-	4,013
Total lease commitments	-	-	28,377	-	28,377

2021/22	Specialise	Land	Buildings and	Machiner	Total
	d military		other fixed	y and	
	assets		structures	equipmen	
	R'000	R'000	R'000	t	R'000
				R'000	
Not later than 1 year	-	-	13,217	-	13,217
Later than 1 year and not later than 5 years	-	-	23,550	-	23,550
Later than five years	-	-	4,013	-	4,013
Total lease commitments	-	-	40,780	-	40,780

There are a total of nine building leases, with three being on a month-to-month basis and six being contractual agreements set to expire between 2024 and 2031.
Average escalation for the 6 buildings are 6.8 %
No restrictions imposed on Department

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

20.2 Finance leases

2022/23	Specialised military assets	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	1 914	1 914
Later than 1 year and not later than 5 years	-	-	-	1 954	1 954
Later than five years	-	-	-	-	-
Total lease commitments	-	-	-	3 868	3 868

2021/22	Specialised military assets	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
-	-	-	-	-	-
Not later than 1 year	-	-	-	1 170	1 170
Later than 1 year and not later than 5 years	-	-	-	1 920	1 920
Later than five years	-	-	-	-	-
Total lease commitments	-	-	-	3 090	3 090

The finance lease includes 29 copiers, out of which nine are on a month-to-month arrangement. As for the fleet, there are 10 vehicles, with four being within one year of their lease term and the remaining six having lease terms ranging from 2 to 5 years. 156 Cell Phones on Finance Lease.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

21 Accrued departmental revenue

	Note	2022/23	2021/22
	21	R'000	R'000
Tax revenue		208,955	186,135
Sales of goods and services other than capital assets		-	-
Fines, penalties and forfeits		180	178
Interest, dividends and rent on land		-	-
Sale of capital assets		-	2,514
Transactions in financial assets and liabilities		-	-
Total		<u>209,135</u>	<u>188,827</u>

The Department is party to a principal-agent for collecting Motor Vehicle License Tax on every motor vehicle that uses Public Roads.

The Department has entered into a service level agreement with South African Post Office (SAPO) to collect motor vehicle license renewals as agent to the Department.

According to the Road Traffic Management Act 93 of 1996, the MEC together with the shareholders Committee shall, by notice in the Gazette, appoint a registering authority.

21.1 Analysis of accrued departmental revenue

	Note	2022/23	2021/22
	21	R'000	R'000
Opening balance		188,827	171,653
Less: Amounts received		6,858	22,218
Less: Services received in lieu of cash		-	-
Add: Amounts recorded		27,478	39,392
Other - Adjustment		(312)	-
Closing balance		<u>209,135</u>	<u>188,827</u>

21.2 Impairment of accrued departmental revenue

	Note	2022/23	2021/22
	21	R'000	R'000
Estimate of impairment of accrued departmental revenue		192,423	179,913
Total		<u>192,423</u>	<u>179,913</u>

The following accounts are specifically excluded from impairment testing

Receivable accounts with a Negative balance at reporting date;

Receivable accounts where the balance at reporting date is Zero;

Receivable accounts that have no balance outstanding longer than 30 days at reporting date as these accounts are considered not to be past due;

30 to 60 days outstanding balances

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

	Note	2022/23	2021/22
		R'000	R'000
22 Unauthorised, Irregular and Fruitless and wasteful expenditure	22		
Unauthorised expenditure		9 444	-
Irregular expenditure		92 230	89 734
Fruitless and wasteful expenditure		344	419
Total		102 018	90 153

Information on any criminal or disciplinary steps taken as a result of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure is included in the annual report under the PFMA Compliance Report.

23 Key management personnel

	Note	2022/23	2021/22
		R'000	R'000
Political office bearers (provide detail below)		2 093	1 889
Officials:		-	-
Level 15 and 16		1 316	1 747
and directors		12 091	11 773
		-	-
Family members of key management personnel		239	-
Total		15 739	15 409

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

24 Movable Tangible Capital Assets
MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR
ENDED 31 MARCH 2023

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
HERITAGE ASSETS	-	-	-	-	-
Heritage assets	-	-	-	-	-
MACHINERY AND EQUIPMENT	45 230	-	10 420	18	55 632
Transport assets	29 873	-	4 908	-	34 781
Computer equipment	3 700	-	1 236	18	4 918
Furniture and office equipment	1 811	-	220	-	2 031
Other machinery and equipment	9 846	-	4 056	-	13 902
SPECIALISED MILITARY ASSETS	-	-	-	-	-
Specialised military assets	-	-	-	-	-
BIOLOGICAL ASSETS	-	-	-	-	-
Biological assets	-	-	-	-	-
CAPITAL ASSETS	45 230	-	10 420	18	55 632

Movable Tangible Capital Assets under investigation

asset register are assets that are under investigation:

	R'000
Heritage assets	-
Machinery and equipment	20
Specialised military assets	-
Biological assets	-
Total	20

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

24.1 Movement for 2021/22**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022**

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
HERITAGE ASSETS	-	-	-	-	-
Heritage assets	-	-	-	-	-
MACHINERY AND EQUIPMENT	55 377	-	581	10 728	45 230
Transport assets	40 578	-	-	10 705	29 873
Computer equipment	3 291	-	432	23	3 700
Furniture and office equipment	1 779	-	32	-	1 811
Other machinery and equipment	9 729	-	117	-	9 846
SPECIALISED MILITARY ASSETS	-	-	-	-	-
Specialised military assets	-	-	-	-	-
BIOLOGICAL ASSETS	-	-	-	-	-
Biological	-	-	-	-	-
ASSETS	55 377	-	581	10 728	45 230

24.1.1 Prior period error

	<i>Note</i> 24	2021/22 R'000
Nature of prior period error		-
Relating to 2021/22		-
Total		-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

24.2 Minor assets**MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023**

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	750	-	5 590	-	6 340
Value adjustments	-	-	-	-	-	-
Additions	-	-	-	142	-	142
Disposals	-	-	-	17	-	17
TOTAL MINOR CAPITAL ASSETS	-	750	-	5 715	-	6 465

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	-	-	-
Number of minor assets at cost ASSETS	-	232	-	4 171	-	4 403

Minor Capital Assets under investigation

	Number	Value R'000
assets that are under investigation:		
Specialised military assets	-	-
Intangible assets	-	-
Heritage assets	-	-
Machinery and equipment	55	102
Biological assets	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

Minor assets
MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biologica l assets R'000	Total R'000
Opening balance	-	741	-	5 553	-	6 294
Prior period error	-	-	-	-	-	-
Additions	-	9	-	43	-	52
Disposals	-	-	-	6	-	6
TOTAL MINOR CAPITAL ASSETS	-	750	-	5 590	-	6 340

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biologica l assets	Total
Number of R1 minor assets	-	-	-	-	-	-
Number of minor assets at cost	-	232	-	4 116	-	4 348
CAPITAL ASSETS	-	232	-	4 116	-	4 348

24.2.1	Prior period error	Note	2021/22 R'000
	Nature of prior period error	24	-
	Relating to 2021/22		-
	Total		-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

25 Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
SOFTWARE	1 356	650	8	1 998
TOTAL INTANGIBLE CAPITAL ASSETS	1 356	650	8	1 998

Intangible Capital Assets under investigation

register are assets that are under investigation:

Software

Number
Value
R'000

-

25.1 Movement for 2021/22

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

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
SOFTWARE	1 297	-	146	87	1 356
TOTAL INTANGIBLE CAPITAL ASSETS	1 297	-	146	87	1 356

25.1.1 Prior period error

Note
30

2021/22
R'000

Nature of prior period error

None

-

-

-

-

Relating to 2021/22

-

Total

-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

26 Principal-agent arrangements**26.1 Department acting as the principal**

	Note	2022/23	2021/22
	31	R'000	R'000
<i>Thembelihle</i>		432	402
<i>Gamagara</i>		489	645
<i>Ga-Segonyana</i>		714	537
<i>Kai !Garib</i>		263	441
<i>Nama Khoi</i>		146	162
<i>Other Municipalities</i>		1 966	1 774
<i>SAPO</i>		30 774	30 225
<i>Sol Plaatje</i>		1 321	1 320
<i>Phokwane</i>		360	363
<i>Dawid Kruiper</i>		714	613
Total		37 179	36 482

The Department is party to a principal-agent for collecting Motor Vehicle License Tax on every motor vehicle that uses Public Roads.

The Department has entered into a service level agreement with South African Post Office (SAPO) to collect motor vehicle license renewals as agent to the Department.

According to the Road Traffic Management Act 93 of 1996, the MEC together with the shareholders Committee shall, by notice in the Gazette, appoint a registering authority. It is for this reason that SAPO together with municipalities where appointed as agents to collect the licensing and renewal fees on behalf of the Department.

The money collected by SAPO is deposited on a daily basis into the departmental bank account and a commission of 11.4 percent is payable on a monthly basis once the service has been rendered and the invoice is submitted for claim.

The municipalities on the other hand, renders a service of vehicle licensing on behalf of the Department. The commission of 12 percent is 'netted-off', from the collection, and the remainder is paid into the bank account of the Department. (Excluding Sol Plaatje municipality, as it pays gross and invoice the Department).

The risk associated with the function currently performed at municipalities is that, municipalities are failing to honour their obligation of paying over the funds collected on behalf of the Department, thus the debt continues to increase.

There are three (3) towns namely Garies, Hanover and Phillipstown (falling under municipalities) in the province, which renders both the service of motor vehicle licensing and renewals. This is as a result of non-availability of SAPO footprint in those areas.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

27. Prior period errors

	<i>Note</i>	2022/23		
		Amount bef error correction	Prior period error	Restated
		R'000	R'000	R'000
Revenue:		-	-	-
Line item 1 affected by the change		-	-	-

	<i>Note</i>	2022/23		
		Amount bef error correction	Prior period error	Restated
		R'000	R'000	R'000
Expenditure:		-	-	-
Line item 1 affected by the change		-	-	-
Net effect		-	-	-

	<i>Note</i>	2022/23		
		Amount bef error correction	Prior period error	Restated
		R'000	R'000	R'000
Assets:		-	-	-
Line item 1 affected by the change		-	-	-
Net effect		-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

	Note	2022/23		
		Amount bef error correction	Prior period error	Restated
		R'000	R'000	R'000
Liabilities:				
Line item 1 affected by the change		-	-	-
Net effect		-	-	-

	Note	2022/23		
		Amount bef error correction	Prior period error	Restated
		R'000	R'000	R'000
Other:				
Line item 1 affected by the change		-	-	-
Net effect		-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

28 Statement of conditional grants received

NAME OF GRANT	GRANT ALLOCATION					SPENT				2021/22	
	Division of Revenue Act/Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	Under / (overspending)	% of available funds spent by dept	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
EPWP Incentive Grant	1 509	-	-	-	1 509	1 509	1 508	1	100%	1 481	1 470
Public Transport Operational Grant	63 581	-	-	-	63 581	63 581	58 363	5 218	92%	63 854	58 591
EPWP Integrated Grant	-	-	-	-	-	-	-	-	-	1 348	1 076
	65 090	-	-	-	65 090	65 090	59 871	5 219		66 683	61 137

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

29 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.

30 COVID 19 Response expenditure

	<i>Note</i>	2022/23	2021/22
	30	R'000	R'000
	<u>ANNEXURE 11</u>		
Compensation of employees		-	-
Goods and services		22	5 898
Transfers and subsidies		-	-
Expenditure for capital assets		-	-
Other		-	-
Total		<u>22</u>	<u>5 898</u>

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

ANNEXURE 1D: STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2021/22	
	Adjusted Budget	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Capital	Current	Final Budget	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000
Public corporations										
Transfers	-	-	-	-	-	-	-	-	-	-
Subsidies	63 581	-	-	63 581	58 363	91,8%	-	58 363	55 854	55 551
Bus Subsidies:										
Mega Bus	38 680	-	-	38 680	35 357	91,4%	-	35 357	31 690	31 469
Pumatra	9 180	-	-	9 180	8 553	93,2%	-	8 553	9 605	9 531
Van Wyk Coaches	4 374	-	-	4 374	4 004	91,5%	-	4 004	4 374	4 372
Rainbow	4 015	-	-	4 015	3 750	93,4%	-	3 750	3 161	3 158
Santaco NC	3 900	-	-	3 900	3 556	91,2%	-	3 556	3 592	3 591
Imvusa Trading	3 432	-	-	3 432	3 143	91,6%	-	3 143	3 432	3 430
Sub total: Public corporations	63 581	-	-	63 581	58 363	91,8%	-	58 363	55 854	55 551
Private enterprises										
Transfers	-	-	-	-	-	-	-	-	-	-
Subsidies	-	-	-	-	-	-	-	-	-	-
Sub total: Private enterprises	-	-	-	-	-	-	-	-	-	-
TOTAL	63 581	-	-	63 581	58 363	91,8%	-	58 363	55 854	55 551

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

ANNEXURE 1F**STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS**

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2021/22	
	Adjusted Budget	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Final Budget	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers	-	-	-	-	-	-	-	-
Northern Cape Taxi Council (SANTACO)	1 831	-	-	1 831	1 762	96%	1 682	1 320
SANSBOK	200	-	-	200	200	100%	300	-
SANWIT	500	-	-	500	500	100%	300	-
	<u>2 531</u>	<u>-</u>	<u>-</u>	<u>2 531</u>	<u>2 462</u>		<u>2 282</u>	<u>1 320</u>
Subsidies	-	-	-	-	-		-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>	<u>-</u>
Total	<u>2 531</u>	<u>-</u>	<u>-</u>	<u>2 531</u>	<u>2 462</u>		<u>2 282</u>	<u>1 320</u>

*ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023*

ANNEXURE 1G

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE	2021/22		
	Adjusted Budget	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Final Budget	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
0								
Transfers								
Leave Gratuity	503	-	-	503	503	100%	606	606
MEC Discretionary	35	-	-	35	35	100%	64	64
Claims against the State	3 408	-	-	3 408	3 408	100%	396	396
	3 946	-	-	3 946	3 946		1 066	1 066
Subsidies	-	-	-	-	-		-	-
	-	-	-	-	-		-	-
	-	-	-	-	-		-	-
Total	3 946	-	-	3 946	3 946		1 066	1 066

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

ANNEXURE 3B**STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2023**

NATURE OF LIABILITY	Opening balance 1	Liabilities incurred	Liabilities paid/ cancelled/ reduced	Liabilities	Closing
	April 2022	during the year	during the year	recoverable (Provide details hereunder)	balance
	R'000	R'000	R'000	R'000	31 March 2023
					R'000
Claims against the department					
Alleged non-compliance with contract	1 348	-	-	-	1 348
Breach of Contract	1 795	-	109	-	1 686
Claims for damages	1 798	1 538	-	-	3 336
	-	-	-	-	-
Subtotal	4 941	1 538	109	-	6 370
Environmental liability	-	-	-	-	-
Subtotal	-	-	-	-	-
Other	-	-	-	-	-
Subtotal	-	-	-	-	-
TOTAL	4 941	1 538	109	-	6 370

*ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023*

**ANNEXURE 4
CLAIMS RECOVERABLE**

GOVERNMENT ENTITY	Confirmed balance		Unconfirmed balance		Total		Cash in transit at year end 2022/23*	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000	-	R'000
DEPARTMENTS								
Education	-	-	-	1 065	-	1 065	-	-
	-	-	-	-	-	-	-	-
	-	-	-	1 065	-	1 065	-	-
OTHER GOVERNMENT ENTITIES	-	-	-	-	-	-		
	-	-	-	-	-	-		
	-	-	-	-	-	-		
	-	-	-	-	-	-		
	-	-	-	-	-	-		
Total	-	-	-	1 065	-	1 065		

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

ANNEXURE 5 INTERGOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2022/23*	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000	-	R'000
DEPARTMENTS								
Current	-	-	-	-	-	-	-	-
Provincial Treasury	47	-	-	-	47	-	-	-
Department of Justice	-	-	363	-	363	-	-	-
	-	-	-	-	-	-	-	-
Non-current	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Total Departments	47	-	363	-	410	-	-	-
OTHER GOVERNMENT ENTITY								
Current	-	-	-	-	-	-	-	-
Road Traffic Management Corporation	-	-	25 433	-	25 433	-	-	-
Subtotal	-	-	25 433	-	25 433	-	-	-
	-	-	-	-	-	-	-	-
Non-current	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Total Other Government Entities	-	-	-	-	-	-	-	-
TOTAL INTERGOVERNMENTAL PAYABLES	47	-	25 796	-	25 843	-	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

ANNEXURE 6
INVENTORIES

Opening balance	288	-	47	-	335
Add/(Less): Adjustments to prior year balances	-	-	-	-	-
Add: Additions/Purchases - Cash	-	-	-	-	-
Add: Additions - Non-cash	-	-	-	-	-
(Less): Disposals	-	-	-	-	-
(Less): Issues	-	-	-	-	-
Add/(Less): Received current, not paid (Paid current year, received prior year)	-	-	-	-	-
Add/(Less): Adjustments	-	-	-	-	-
Closing balance	288	-	47	-	335

INVENTORIES FOR THE YEAR ENDED 31 MARCH 2022	Note	Books R'000	Sanitor- Public Transport R'000	Security Supplies R'000	R'000	TOTAL R'000
Opening balance		298	587	22	-	907
Add/(Less): Adjustments to prior year balances		-	-	-	-	-
Add: Additions/Purchases - Cash		-	4 411	25	-	4 436
Add: Additions - Non-cash		-	-	-	-	-
(Less): Disposals		-	-	-	-	-
(Less): Issues		(10)	(587)	-	-	(597)
Add/(Less): Received current, not paid (Paid current year, received prior year)		-	-	-	-	-
Add/(Less): Adjustments		-	(4 411)	-	-	(4 411)
Closing balance		288	-	47	-	335

The amount of R 4 411 million was erroneously classified as inventory, whereas it should have been categorized as consumable.

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

ANNEXURE 11

COVID 19 RESPONSE EXPENDITURE

Per quarter and in total

Expenditure per economic classification	Q1	Q2	Q3	Q4	2022/23	2021/22
	R'000	R'000	R'000	R'000	TOTAL R'000	TOTAL R'000
Compensation of employees						
Goods services	-	-	-	22	22	5 898
<i>Please list all the applicable SCOA level 4 items:</i>						
Minor Items	-	-	-	-	-	460
Contractors	-	-	-	-	-	492
Cons Supplies	-	-	-	-	-	4 905
Cons Hous Sup	-	-	-	-	-	41
Cons Mat&Sup	-	-	-	-	-	-
Contractors: Medical Services	-	-	-	22	22	-
Transfers and subsidies	-	-	-	-	-	-
<i>Please list all the applicable SCOA level 4 items:</i>						
Expenditure for capital assets	-	-	-	-	-	-
<i>Please list all the applicable SCOA level 4 items:</i>						
Other expenditure not listed above	-	-	-	-	-	-
<i>Please list all the applicable SCOA level 4 items</i>						
TOTAL COVID 19 RESPONSE EXPENDITURE	-	-	-	22	22	6 898