ANNUAL REPORT

2024 – 2025

public works
& infrastructure

Department:
Public Works and Infrastructure
REPUBLIC OF SOUTH AFRICA

TABLE OF CONTENTS

LIST OF ACRONYMS

Acronym	Full Description
AO	Accounting Officer
ASA	Agrément South Africa
B-BBEE	Broad Based Black Economic Empowerment
BOT	Build-Operate-Transfer
CBE	Council for the Built Environment
CDC	Coega Development Corporation
CIDB	Construction Industry Development Board
CMS	Change Management Strategy
CPM	Construction Project Management Branch
DALRRD	Department of Agriculture, Land Reform and Rural Development
DBSA	Development Bank of South Africa
DCS	Department of Correctional Services
DDG	Deputy Director General
DDM	District Delivery Model
DFFE	Department of Forestry, Fisheries and the Environment
DG	Director General
DHA	Department of Home Affairs
DHET	Department of Higher Education and Training
DOH	Department of Health
DPSA	Department of Public Service and Administration
DPWI	Department of Public Works and Infrastructure
DSD	Department of Social Development
ERRP	Economic Recovery and Reconstruction Programme
EA	Expropriation Act
EPWP	Expanded Public Works Programme
EPWP-RS	Expanded Public Works Programme Registration System
ERP	Enterprise Resource Planning
EXCO	Executive Management Committee
FM	Facilities Management Branch
FTE	Full Time Equivalent
FY	Financial Year
GBV-F	Gender Based Violence and Femicide
GIAMA	Government Immovable Asset Management Act 19 of 2007
GRC	Governance, Risk and Compliance Branch
HQ	Head Quarters
HVAC	Heating, Ventilation and Air Conditioning
IAR	Immoveable Asset Register
IBACF	Infrastructure Built Anti-Corruption Forum
ICT	Information and Communication Technology
IDA	Infrastructure Development Act, no 23 of 2014, as amended

Acronym	Full Description
IDMS	Infrastructure Delivery Management System
IDT	Independent Development Trust
IGR	Intergovernmental Relations Branch
IOT	Internet of Things
ISA	Infrastructure South Africa
IMF	International Monetary Fund
iREREP	Integrated Renewable Energy and Resource Efficiency Programme
IUDF	Integrated Urban Development Framework
M&E	Monitoring and Evaluation
MINMEC	Minister and Members of the Executive Council
MINTOP	Minister and Top Management
MPSA	Minister of Public Service and Administration
MoF	Minister of Finance
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NACS	National Anti-Corruption strategy
NASP	National Annual Strategic Plan
NDP	National Development Plan 2030
NEDLAC	National Economic Development and Labour Council
NIMMS	National Infrastructure Management and Maintenance Strategy
NIP2050	National Infrastructure Plan 2050
NPOs	Non-profit Organisations
NSDF	National Spatial Development Framework
NT	National Treasury
NWMS	National Waste Management Strategy
OHSA	Occupation Health and Safety Act
PAIA	The Promotion of Access to Information Act
PEP-IMC	Public Employment Programmes Inter-Ministerial Committee
PMEP	Property Management Empowerment Policy, 2018
PICC	Presidential Infrastructure Coordinating Committee
PFI	Private Finance Initiative
PFMA	Public Finance Management Finance Act 1 of 1999
PMDS	Performance Management and Development System
PMO	Programme Management Office
PMTE	Property Management Trading Entity
PSB	Professional Services Branch
PV	Photovoltaic
PWD	Persons with Disabilities
QLFS	Quarterly Labour Force Survey
REIS	Real Estate Investment Services Branch
REIRS	Real Estate Information and Registry Services Unit
REMS	Real Estate Management Services Branch

Acronym	Full Description
REITs	Real Estate Investment Trusts
RFP	Request for Proposals
RFI	Request for Information
ROTP	Renovate, Operate, Transfer Programme
SAIMI	South African International Maritime Institute
SAPOA	South African Property Owners Association
SAPS	South African Police Service
SCM	Supply Chain Management
SHERQ-M	Safety, Health, Environment, Risk and Quality Management
SIPs	Strategic Integrated Projects
SOP	Standard Operating Procedures
SPV	Special Purpose Vehicle
SLA	Service Level Agreement
SMMEs	Small, Medium and Micro-sized Enterprises
SMS	Senior Management Services
SOE	State-Owned Entity
SONA	State of the Nation Address
SP	Strategic Plan
TFM	Total Facilities Management
U-AMP	User Asset Management Plan
UDM	Urban Development Management Unit
WCS	Works Control System

CHAPTER 1
GENERAL INFORMATION

1.1. Foreword by the Minister

'Turning South Africa into a construction site is not a slogan - it is a call to action to grow the economy, create jobs, and restore public confidence in the state's ability to deliver'

The 2024/25 Annual Report marks the beginning of a new chapter under the Government of National Unity (GNU), guided by the principles of the Medium-Term Development Plan. At the start of the seventh administration, I declared in my first budget speech in Parliament that the Department of Public Works and Infrastructure (DPWI) would play a central role in South Africa's economic recovery by turning the country into a construction site. This is not a slogan - it is a call to action to grow the economy, create jobs, and restore public confidence in the state's ability to deliver.

Our focus in the year under review has been clear: to lay firm foundations while moving decisively towards delivery. The Department prioritised four areas of reform:

- Strengthening governance, accountability, and professionalism across the built environment sector.
- Promoting infrastructure-led growth through Infrastructure South Africa's (ISA) portfolio of catalytic projects.
- Leveraging public assets for public good by unlocking underutilised properties to support social programmes and economic development.
- Reforming the Expanded Public Works Programme (EPWP) to ensure it creates sustainable pathways into the labour market.
- And driving digitisation across the department.

Key legislative work is underway to cement these reforms. The drafting of the Public Works Bill will, for the first time, provide a single framework to regulate public works in South Africa. The review of the Construction Industry Development Board (CIDB) Amendment Bill will strengthen governance and provide greater support for emerging contractors. The Engineering Council of South Africa has also engaged stakeholders to address safety and regulatory gaps highlighted by building incidents in Ballito, George, and eNgcobo.

In line with our commitment to communities, I undertook EPWP listening tours in Gqeberha, Umgeni Local Municipality, Cape Town and Upington to engage directly with participants. These voices are shaping reforms to the EPWP Conditional Grant Framework and grant models to improve compliance, performance, and efficiency. A three-year partnership with 50 public TVET colleges - supported by National Treasury and formalised with DHET, SAPCO, and QCTO - will further enhance training, skills development, and employability.

The Department has also invested in South Africa's future workforce. In the 2025 academic year, 53 bursaries were awarded to new students pursuing careers in the built environment. Seven graduates from our Skills Pipeline have secured permanent employment, demonstrating the value of this programme. By the end of the reporting period, 5,285 beneficiaries had participated in the Skills Pipeline Strategy. In addition, 29 Cuban Technical Advisors continued to provide valuable expertise under Phase III of our bilateral cooperation with Cuba.

Infrastructure South Africa has also advanced its catalytic project pipeline. A portfolio of 53 projects, valued at R787 billion, is being rolled out across all nine provinces. Of this, R755 billion represents private sector-led investment, and R32 billion is public sector-driven. These projects span freight and transport, water and sanitation, energy, and municipal infrastructure. This mobilisation of resources and partnerships demonstrates that infrastructure is truly the flywheel of our economic recovery.

As Minister, I am under no illusion about the scale of the task ahead. The foundations have been laid, but delivery must now be expedited. South Africans will measure us not by plans and reports, but by cranes in the sky, jobs on the ground, and projects completed on time.

I would also like to acknowledge the leadership and support of Director-General Sifiso Mdakane, whose guidance and commitment to reform have been invaluable in driving the Department's renewal. His stewardship of the administration has provided continuity and stability, enabling us to begin delivering on our mandate with focus and urgency.

It is in this spirit that I present the 2024/25 Annual Report of the Department of Public Works and Infrastructure.

Mr Dean Macphearson, MP

Minister of Public Works and Infrastructure

1.2. Report by the Accounting Officer

1.2.1. Major Achievements

'The infrastructure-Led growth priority involves fast-tracking high-impact, catalytic projects that stimulate long-term socio-economic benefits, create jobs and faster community upliftment'

The Department has developed 7 outcomes aligned to the three priorities as determined by the Government of National Unity (GNU). These outcomes have shaped the finalisation of key performance indicators and targets for the Medium-Term Development Plan (MTDP). In 2023, the country held the national and provincial general elections which led to the appointment of the new GNU Minister to lead the Department. The Minister has therefore focused on the following priorities for the department.

- **Public Assets for Public Good** – effective management of state assets is critical in achieving the department's goal. By establishing a robust digital asset register, the department aimed to optimise government -owned properties, ensuring that they serve as catalysts for economic growth and social services.

- **Infrastructure-led Growth** – infrastructure is the backbone of any resilient economy, and through Infrastructure South Africa (ISA), the department has positioned infrastructure investment as a central pillar for national economic recovery. This priority involves fast-tracking high-impact, catalytic projects that stimulate long-term socio-economic benefits, create jobs and faster community upliftment.

- **Expanded Public Works Programme Reform** – Historically, the EPWP programme provided a temporary employment to vulnerable communities. However, the department is committed to transforming the programme into a sustainable employment and skills development platform.

- **Strengthening Governance, Accountability and a Culture of Excellence** – building a new culture of transparency and excellence requires dedication and accountability from every member of the department. Our collective success depends on everyone's commitment to upholding the highest standards, delivering on promises made by the government, and creating the DPWI that South Africans can rely on with pride.

These priorities are implemented through the Main Vote and Property Management Training Entity (PMTE) programmes. The Main Vote (the DPWI) focuses on providing shared administrative services support to the Department, coordinating activities with the stakeholders and other spheres of government, providing coordinating and technical support for the implementation of the Expanded Public Works Programme (EPWP), conducting policy regulations and research in the built environment. The core property management functions are coordinated by the PMTE, including managing functional relations with the sister clients' departments, Construction Project Management, managing Immovable Asset Investment Services, maintaining real estate information and registry services (Immovable Asset Register) and the Facilities Management function. In the period under review, the department has made significant achievements throughout the seven outcomes.

- **Resilient, ethical and capable DPWI** - The Department has automated the e-leave system and the Geographic Information System (GIS) portal. The Department has advanced women empowerment and people with disability programme achieving 41.34% of women in Senior Management Services and recruited 1.11% of PWD in its ranks with 14% vacancy rate, as at the end of the financial year. The compliance rate of the Department's top 20 basket of compliance matters is at 74%.

- **Integrated Planning and Coordination** – The Department contributes to the government's goal of integrated and transversal services, and has developed the Sector Plan, which was approved by the MINMEC, to guide service delivery across the sector. Technical MINMEC has approved the establishment of governance structures to support their operations.

- **Sustainable infrastructure investment** – This outcome focused on infrastructure investment and delivery. The performance of infrastructure is reflected in the delivery of Strategic Integrated Projects (SIPs) as gazetted by the President. In the period under review, the department has completed the delivery of 7 SIPs and commenced with construction of 7 SIPs. The Department has made notable progress on the Salvokop Government Precinct project during the 2024/25 period. The completion of bulk and engineering services increased from 75% to 93%, with key infrastructure such as roads, substations, and water and sewer networks nearing finalisation. Once fully serviced, the precinct will support the development of four national departments' head offices through Public-Private Partnerships. This partnership will unlock an estimated R11.3 billion in long-term investment and significantly reducing the State's lease portfolio. The department has also significantly reduced the Site enablement process from 24 to 12 months, resulting in timelines for project pre-preparation being significantly reduced.

- **Productive assets** – The Department has registered 9 221 immovable assets aligned to municipal valuations, which amount to 92%. This is an increased 12.64% in revenue generation through letting of state-owned properties for leases signed during the reporting period. The Department has also managed to reduce the state bill on property rates by 36 869 952.00 in Mangaung Metro for 4 properties by interrogating and negotiating on Municipal valuation rolls payable.

- **Optimised job opportunities** – This outcome focuses on creating job opportunities and sustainable jobs for better living conditions. It is driven through the implementation of the Expanded Public Works Programme (EPWP). The objective of the EPWP is to create work opportunities, skills development and income support for poor and unemployed people in South Africa. In the period under review, the department has coordinated 923 718 job opportunities, which translates into 91% achievement, with contribution of various public bodies' implementation programmes. It is through EPWP Phase V that the focus was on creating exit pathways for participants. The Department has, through the EPWP Enterprise Development, supported 192 micro, small and medium enterprises, with 43 new enterprises established across all provinces. Furthermore, 50 sessions on Start and Improve Your Business were conducted, reaching 1 039 participants. 20 603 participants were trained on financial literacy through the partnership with the FSCA and through the R228 million allocated by the National Skills Fund. Various training partnerships were implemented to improve employability and certification outcomes. During the period under review, 24 SLAs with 17 accredited TVETs have been signed to train 4 114 participants through skills programmes and 255 through learnerships.

Table 1: Overall Work Opportunity (WO) performance per sector (April 2024 – March 2025)

Sector	Annual WO Target	WO Achieved	% Achieved	Distinct Individuals	% Individuals within a sector
Environment & Culture Sector	186 491	219 401	117.6%	196 683	89.6%
Infrastructure Sector	309 434	290 447	93.9%	266 623	91.8%
Social Sector	201 014	195 307	97.2%	183 646	94.0%
Non-State Sector	307 806	218 563	71.0%	218 287	99.9%
Total	**1004 746**	**923 718**	**91.9%**	**848 563**	**91.9%**

- **Transformed built environment** – The primary focus of this outcome is on regulation and legislative process to contribute to a transformed built environment. This involved extensive public consultation with a workshop held in February 2025 on the Public Works Bill, development of the Infrastructure Development Act (IDA) which was pre-certified by the Office of the Chief State Law Adviser (OCSLA). Additionally, the Bill's SEIAS Report was certified by the DPME. The draft IDA Bill and Business Case were thereafter submitted to the Minister for processing and engagements with the Ministers of Finance and Public Service and Administration, respectively. Inputs for public participation processes on the CIDB were consolidated through analysis of the comments received, which took longer than anticipated because of the number of inputs provided. To address the imbalances in the built environment, the Department is implementing the skills development pipeline. At the end of the financial year, 1 266 beneficiaries were participating in that skills development pipeline program.

- **Dignifies clients' experience** – The Department aims to provide sustainable services that meet the stakeholders' needs. This outcome supports the Prestige portfolio which is involved in providing accommodation to members of Parliament and organising state events. In the period under review, the department has successfully supported 23 state events with movable asset structures as requested by the Presidency. A total of 84 facilities were assessed to determine their conditions, signing 466 preventative maintenance contracts to reduce reactive maintenance. Additionally, 100% of new private leases were signed with maintenance plans to prevent reactive maintenance and 7 Precinct Plans were developed to pave the way for the implementation of multi-purpose centres.

This approach allows for a holistic presentation of the department's performance for the period under review. The full details of achievement for the pre-determined objectives are clearly outlined under Chapter 2.

- **Overview of Financial Results**
- **Departmental revenue management for 2024/25**

The table below depicts a comparison of the Departmental revenue receipts against estimates and compared to the prior year's performance.

Table 1.1: Departmental Receipts

Departmental receipts	2024/25			2023/24		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	338	341	(3)	307	322	(15)
Forfeits	-	74	(74)	-	51	(51)
Interest	2 000	11 082	(9 082)	1 100	10 593	(9 493)
Financial transactions in assets and liabilities	1 400	5 741	(4 341)	409	21 204	(20 795)
Total Departmental receipts	**3 738**	**17 238**	**(13 500)**	**1 816**	**32 170**	**(30 354)**

The Department received R17.2 million in revenue, for the 2024/25 financial year. This was R13.5 million more than the projected revenue, and R15 million less than previous financial year. The bulk of the revenue received relates to the interest and financial transactions in assets and liabilities.

- **Budget Allocation 2024/25**

The Department's final appropriation for the year under review was R7.612 billion, which is 10% less compared to the 2023/24 financial year's final appropriation of R8.406 billion.

As depicted in Table 1.2, the bulk of the appropriated funds (approximately 91%) is allocated between the Expanded Public Works Programme (29%), Property, Construction Industry

Policy, and Research (62%). These two programmes represent the major proportion of the Department's mandate and deliverables. Transfers and subsidies account for 91% of the allocation for 2024/2025.ß

Table 1.2: Budget Allocation per Programme	**Allocation R`000**	**Allocation as %**
Programme 1: Administration	541 264	7%
Programme 2: Intergovernmental Coordination	56 001	1%
Programme 3: Expanded Public Works Programme	2 204 794	29%
Programme 4: Property and Construction Industry Policy and Research	4 720 343	62%
Programme 5: Prestige Policy	89 679	1%
Total	**7 612 081**	**100%**

- **Expenditure Analysis**

A summary of the Department's financial performance is provided in Tables 1.3, 1.4 and 1.5 below, which show the overall budget and expenditure as well as spending per economic classification.

TABLE 1.3: Expenditure Analysis

	2024/25 R'000	**2023/24 R'000**
Budget allocation	7 612 081	8 405 966
Actual Expenditure	7 570 409	8 304 039
Actual: Spent Budget %	**99.5%**	**98.8%**
Unspent funds	41 672	101 927
Actual: Unspent Budget %	**0.5%**	**1.2%**

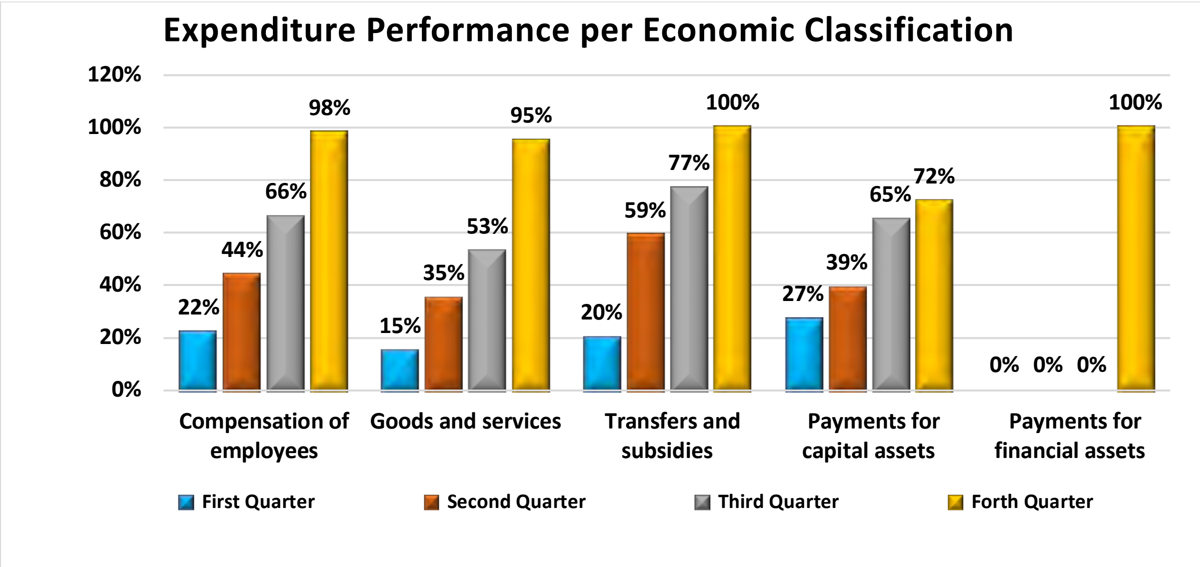
TABLE 1.4: Expenditure Analysis per Programme

	2024/25				2023/24		
	Final Appropriation	Actual Expenditure	Variance	Expenditure as %	Final Appropriation	Actual Expenditure	Expenditure as %
	R'000	R'000	R'000	%	R'000	R'000	%
Administration	541 264	535 062	6 202	98,9%	590 232	581 309	98.5%
Intergovernmental Coordination	56 001	49 278	6 723	88,0%	55 817	48 322	86.6%
Expanded Public Works Programme	2 204 794	2 204 626	168	100,0%	2 954 207	2 943 671	99.6%
Property And Construction Industry Policy and Research	4 720 343	4 694 895	25 448	99,5%	4 740 529	4 667 500	98.5%
Prestige Policy	89 679	86 548	3 131	96,5%	65 181	63 237	97.0%
Totals	**7 612 081**	**7 570 409**	**41 672**	**99.5%**	**8 405 966**	**8 304 039**	**98.8%**

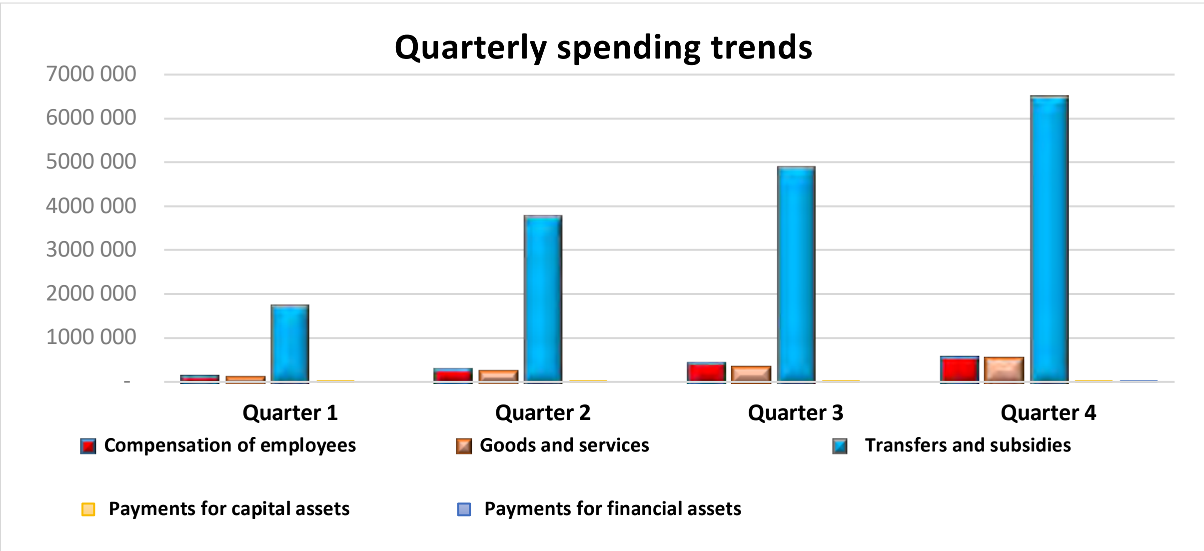
TABLE 1.5: Spending Per Economic Classification – DPWI

	2024/25				2023/24		
	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000	Expenditure as % of final appropriation %
Current payments							
Compensation of employees	555 760	546 324	9 436	98,3%	556 516	524 617	94.3%
Goods and services	567 933	539 738	28 195	95,0%	568 700	502 664	88.2%
Transfers & subsidies							
Provinces & municipalities	1 177 458	1 177 456	2	100.0%	1 548 500	1 548 498	100.0%
Departmental agencies & accounts	4 457 819	4 457 819	-	100.0%	4 452 608	4 452 608	100.0%
Foreign governments & international organisations	36 413	36 413	-	100.0%	34 202	34 202	100.0%
Public corporations & private enterprises	102 835	102 835	-	100.0%	164 841	164 841	100.0%
Non-profit institutions	689 582	689 582	-	100.0%	1 052 431	1 052 431	100.0%
Households	9 030	9 030	-	100.0%	10 010	10 010	100.0%
Payment for capital assets							
Machinery & equipment	14 604	10 565	4 039	72,3%	18 007	14 017	77.8%
Payment for financial assets	647	647	-	100.0%	151	151	100.0%
Total	**7 612 081**	**7 570 409**	**41 672**	**99.5%**	**8 405 966**	**8 304 039**	**98.8%**

Departmental spending for the period under review is R7.570 billion, which represents 99% of the adjusted budget of R7.612 billion. Underspending of R42 million mainly relates to compensation of employees and goods and services.



Spending Trends:



The quarterly expenditure variances for the Department are an average of R1.893 billion with the high spending of R2.293 billion, and the lowest been R1.357 billion in the second and third quarter respectively. High spending for the Department relates to the transfer payments to the PMTE, Provinces and Municipalities for EPWP conditional grants, Non-state Sector programme and other departmental entities. Transfers and subsidies equate to 85% of the Departmental budget allocation, and the balance is allocated to current payments for compensation of employees and goods and services.

Details of underspending per programme and economic classification is discussed below:

- **Programme 1: Administration**

The underspent amount of R6 million in Programme 1 relates to:

- Compensation of employees underspent by R6 million is due to delays in the filling of vacant positions and those that became vacant during the financial year.

- **Programme 2: Intergovernmental Coordination**

The underspent amount of R7 million in Programme 2 relates to:

- Compensation of employees underspent by R3 million is due to delays in the filling of vacant positions and those that became vacant during the financial year.
- Goods and services underspent of R4 million are due to delays in coordination of planned activities for the Professional Services.

- **Programme 3: Expanded Public Works Programme**

The Programme spent 100% of the allocated budget.

- **Programme 4: Property and Construction Industry Policy and Research**

The underspent amount of R25 million in Programme 4 relates to:

- Goods and services underspent of R25 million is due to delays in spending relating to Infrastructure South Africa for the implementation of the project preparation.

- **Programme 5: Prestige Policy**

The underspent amount of R3 million in Programme 5 relates to:

- Machinery and equipment underspent of R3 million is due to delays in the delivery of procured assets.

- **Virement**

At the end of the financial year, the Department adjusted funds between programmes, sub-programmes and economic classification in line with the PFMA within the threshold of 8%. The funds were then utilised as per the table below:

TABLE 1.6: VIREMENT FOR 2024/25

Table 1

Programmes	Adjusted Appropriation 2024/25	Virement of Funds	Final Appropriation 2024/25
	R`000	R`000	R`000
Prog 1: Administration	569 564	(28 300)	541 264
Prog 2: Intergovernmental Coordination	60 870	(4 869)	56 001
Prog 3: Expanded Public Works Programme	2 228 704	(23 910)	2 204 794
Prog 4: Property and Construction Industry Policy and Research	4 676 295	44 048	4 720 343
Prog 5: Prestige Policy	76 648	13 031	89 679
TOTAL	**7 612 081**	**-**	**7 612 081**

The following virement of funds was applied between and within the Programmes:

- Programme 1 has decreased by a net amount of R28.300 million. Virement of funds in this programme was made as follows:
  - R28 million decreased under compensation of employees to provide financial support for the PMTE and CBE in Programme 4 under transfers and subsidies approved by the National Treasury.
  - R2.201 million from compensation of employees to offset excess spending under goods and services (R1.575 million) and payment for financial assets (R626 000).
  - R300 000 decreased under transfers and subsidies (households) to offset excess spending in Programme 3 under transfers and subsidies (households).

- Programme 2 has decreased by a net amount of R4.869 million. Virement of funds in this programme was made as follows:
  - R4 million decreased under compensation of employees to provide financial support for the PMTE and CBE in Programme 4 under transfers and subsidies approved by the National Treasury.
  - R19 000 from compensation of employees to transfers and subsidies to offset excess spending relating to leave gratuities. R869 000 decreased under goods and services objectively to offset excess spending under Programme 5.

- Programme 3 has decreased by a net amount of R23.910 million. Virement of funds in this programme was made as follows:
  - R15 million decreased under compensation of employees to provide financial support for the PMTE and CBE in Programme 4 under transfers and subsidies approved by the National Treasury.
  - R283 000 from compensation of employees to transfers and subsidies to offset excess spending relating to leave gratuities. R6.428 million decreased under Compensation of Employees to offset excess spending in Programme 5 under goods and services.
  - R2.924 million decreased under goods and services to offset excess spending in Programme 5 under goods and services.
  - R441 thousand increased under transfers and subsidies (households) from Programmes 1,4, and 5 under transfers and subsidies (households) to offset excess spending relating to leave gratuities.

- Programme 4 has increased by a net amount of R44.048 million. Virement of funds in this programme was made as follows:
  - R6 million from compensation of employees and R71 million from goods and services to provide financial support for the PMTE and CBE in Programme 4 under transfers and subsidies approved by the National Treasury.

- R47 million increased under transfers and subsidies (Departmental agencies and accounts) from Programmes 1,2, and 3 under compensation of employees to provide financial support for the PMTE and CBE approved by the National Treasury.
- R2.845 million decreased under compensation of employees (R1.925 million and goods and services (R921 000) to offset excess spending in Programme 5 under goods and services.
- R106 000 decrease under transfer and subsidies (households) to offset excess spending in Programme 3 for expenditure relating to leave gratuities.

- Programme 5 has increased by a net amount of R13.031 million. Virement of funds in this programme was made as follows:
  - R1.747 million from compensation of employees to goods and services to offset excess spending for expenditure relating to state events. R13.066 million increased under goods and services from Programme 2,3, and 4 to offset excess spending for expenditure relating to state events.
  - R35 000 decreased under transfer and subsidies (households) to offset excess spending in Programme 3 for expenditure relating to leave gratuities.

Unauthorised Expenditure

No unauthorised expenditure was incurred in the current financial year. The current unauthorised expenditure relates to the period between 2007/08 and 2014/15 financial years, and there is ongoing engagement between the National Treasury.

1.4. Property Management Trading Entity

PMTE 2024/25 Revenue Management

The table below depicts a comparison of the estimated PMTE revenue compared to the actual receipts:

	2024/25				2023/24			
	Final budget	Actual receipts	Variance	% recovered	Final budget	Actual receipts	Variance	% recovered
Revenue	**R'000**	**R'000**	**R'000**		**R'000**	**R'000**	**R'000**	
Accommodation charges - Leasehold	5 766 547	5 536 702	- 229 845	96%	5 517 017	4 969 740	- 547 277	90%
Accommodation charges – state owned	6 262 929	5 894 489	- 368 440	94%	6 819 173	5 520 445	- 1 298 728	81%
Accommodation charges freehold- private	83 313	80 775	- 2 538	97%	79 346	61 346	- 18 000	77%
Augmentation	4 288 092	4 288 092	0	100%	4 276 211	4 276 211	0	100%
Interest, fines, recoveries and other receipts	5 225	66 895	61 670	1280%	23 961	138 076	114 115	576%
Municipal Services Management Fees	0	149 661	149 661	0	207 314	147 752	- 59 562	71%
Total	**16 406 106**	**16 016 614**	**- 389 492**	**98%**	**16 923 022**	**15 113 570**	**- 1 809 452**	**89%**
Municipal Services recovered	3 657 555	2 843 316	- 814 239	78%	3 644 758	2 955 038	- 689 720	81%
Total revenue	**20 063 661**	**18 859 930**	**- 1 203 731**	**94%**	**20 567 780**	**18 068 608**	**- 2 499 172**	88%

The actual receipts for the period ended 31 March 2025 amounts to R18.8 billion which represents 94% of the projected annual receipts.

- **Budget allocation per programme –PMTE**

	2024/25	2023/24
Programme	R'000	Allocation as %
Administration	971 201	5%
Real Estate Investment Services	182 202	1%
Construction Project Management	3 117 851	16%
Real Estate Management Services	12 100 846	60%
Real Estate Information & Registry Services	93 907	0%
Facilities Management Services	3 597 653	18%
Total	**20,063,661**	**100%**

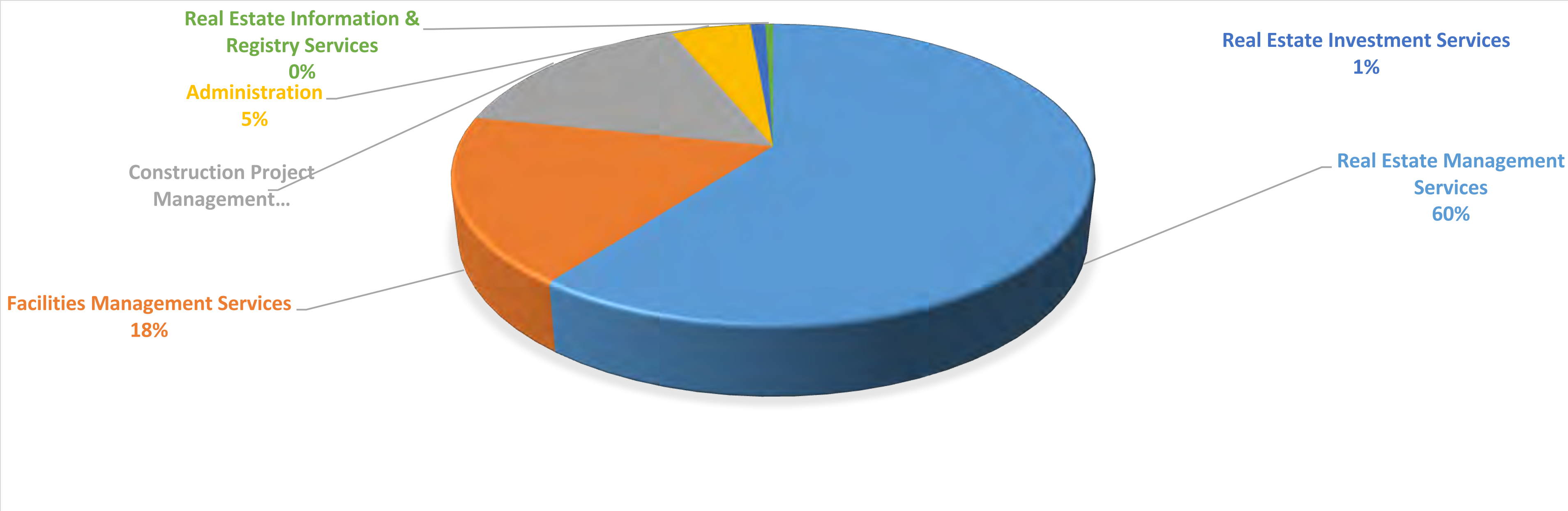
- **Overall expenditure analysis – PMTE**

	2024/25	2023/24
	R'000	**R'000**
Budget allocation	20 063 661	20 567 780
Actual expenditure	19 634 295	19 846 844
Actual: spent budget %	**98%**	**96%**
(Over)/ under spending	429 366	720 936
Actual: budget (over)/ under spend %	**2%**	**4%**

- **Expenditure analysis per programme – PMTE**

Programme	2024/25				2023/24			
	Final allocation	Actual expenditure	Variance	% spent	Final allocation	Actual expenditure	Variance	% spent
	R'000	**R'000**	**R'000**		**R'000**	**R'000**	**R'000**	
Administration	971 201	1 052 701	81 500	108%	895 293	871 421	- 23 872	97%
Real Estate Investment Services	182 202	172 097	- 10 105	94%	169 512	159 002	- 10 510	94%
Construction Project Management	3 117 851	2 535 290	- 582 561	81%	3 318 213	2 693 861	- 624 352	81%
Real Estate Management Services	12 100 846	12 088 532	- 12 314	100%	11 939 296	11 781 664	- 157 632	99%
Real Estate Information & Registry Services	93 907	91 295	- 2 612	97%	93 168	82 516	- 10 652	89%
Facilities Management Services	3 597 653	3 694 379	96 726	103%	4 152 298	4 258 380	106 082	103%
Total	**20 063 661**	**19 634 295**	**- 429 366**	**98%**	**20 567 780**	**19 846 844**	**- 720 936**	**96%**

- **Percentage of the overall allocated budget per programme**

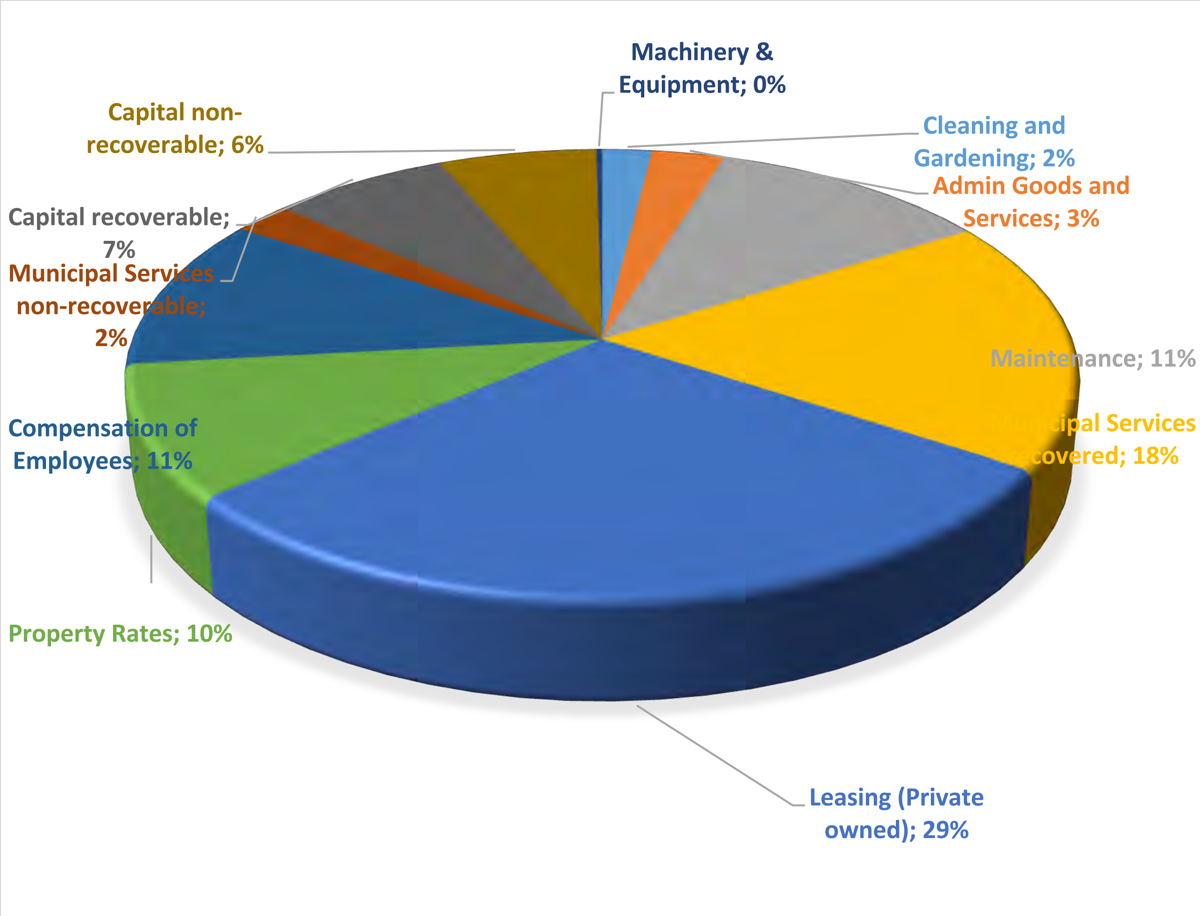


- **Spending per economic classification – PMTE**

Economic Classification	2024/25				2023/24			
	Final allocation	Actual expenditure	Variance	% spent	Final allocation	Actual expenditure	Variance	% spent
	R'000	R'000	R'000		R'000	R'000	R'000	
Current payments								
Cleaning and Gardening	393 058	392 233	- 824	100%	387 716	383 628	- 4 088	99%
Admin Goods and Services	577 166	497 352	- 79 814	86%	480 737	404 471	- 76 266	84%
Maintenance	2 241 723	2 412 418	170 695	108%	2 851 079	2 964 845	113 766	104%
Municipal Services recovered	3 657 555	3 657 555	0	100%	3 644 758	3 644 758	0	100%
Leasing (Private owned)	5 914 000	5 822 839	- 91 161	98%	5 693 616	5 693 616	0	100%
Property Rates	1 912 850	1 941 622	28 772	102%	1 969 487	1 842 094	- 127 393	94%
Compensation of Employees	2 197 897	2 246 643	48 746	102%	2 165 416	2 131 087	- 34 329	98%

Economic Classification	2024/25				2023/24			
	Final allocation	Actual expenditure	Variance	% spent	Final allocation	Actual expenditure	Variance	% spent
	R'000	R'000	R'000		R'000	R'000	R'000	
Municipal Services non-recoverable	459 450	456 322	- 3 128	99%	450 744	450 744	0	100%
Theft and Losses	0	58 422	58 422	0	0	0	0	0
Total current payments	**17 353 699**	**17 485 407**	**131 707**	**101%**	**17 643 553**	**17 515 243**	**- 128 310**	**99%**
Capital payments								
Capital recoverable	1 409 225	904 849	- 504 376	64%	1 446 489	1 116 808	- 329 681	77%
Capital non-recoverable	1 253 714	1 141 727	- 111 987	91%	1 432 869	1 173 169	- 259 700	82%
Machinery & Equipment	47 023	31 026	- 15 997	66%	44 869	41 624	- 3 245	93%
Intangibles	0	71 286	71 286	0%	0	0	0	0%
Total capital payments	**2 709 962**	**2 148 888**	**- 561 074**	**79%**	**2 924 227**	**2 331 601**	**- 592 626**	**80%**
Total	**20,063,661**	**19,634,295**	**-429,367**	**98%**	**20,567,780**	**19,846,844**	**-720,936**	96%

- **Percentage overall allocated budget per economic classification – PMTE**



Details of material variance explanation per programme and economic classification are as follows:

Receipts

The actual receipts for the period ended 31 March 2025 amount to R19.8 billion which represents 94% of the projected annual receipts. This is mainly due to unpaid invoices for the State-owned accommodation charges and Municipal Services paid on behalf of the Client Departments.

Expenditure

Details of underspending per programme and economic classification are discussed below:

The total expenditure for the period ended March 2025 was R 19.6 billion which represents 98% of the total budget.

This is mainly due to under-expenditure on the infrastructure projects.

The expenditure is higher than the level of performance of the previous year.

Programme 1: Administration

The over expenditure was attributable to the filling of the additional positions in the PMTE establishment.

Programme 2: Real Estate Investment Services

The under expenditure was attributable to delays experienced in the procurement of departmental laptops and office furniture.

Programme 3: Construction Management Services

The cost driver of the low spending on this programme is the delays in the implementation of the infrastructure projects.

As the projects are recoverable, the PMTE must request approval from the client departments before tenders are advertised, when recommended bids are higher than the estimate and every time there is an increase in the cost of the project. Delays in client responses were a major cause of under-expenditure. Clients are expected to sign off on their available allocations before the start of the financial year, but some Clients only make the allocations available during the first quarter of the financial year. This leads to further delays and under-expenditure as projects cannot be placed on the Procurement Plan before approval of the budget. Further delays are experienced on site by defaulting contractors and other contractors not delivering in accordance with the projected project expenditure.

Programme 4: Real Estate Management Services

The under expenditure is attributable to the filling of the additional positions in the establishment.

Programme 5: Real Estate Information & Registry Services

The underspending was attributable to the unspent funds which were allocated for the Land Parcels project under Goods and Services.

Programme: 6: Facilities Management

The variance between the budget and the actual expenditure is due to a reclassification of projects between capital and operational after the financial year-end. This seeming overspending is offset by underspending on the Capital items where these projects were budgeted for.

1.3. Entities Reporting to the Minister

NAME OF THE ENTITY	LEGISLATIVE MANDATE	FINANCIAL RELATIONSHIP	NATURE OF OPERATIONS
AGRE'MENT SOUTH AFRICA	Agrément South Africa Act 2015 (Act 11 of 2015)	Transfer payment from grant allocation statutorily made available to the entity by way of a Parliamentary budget vote.	South African for assessment and certification on non-standardised construction-related products and systems for which no South African National Standards existed prior to certification
COUNCIL FOR THE BUILT ENVIRONMENT	The CBE executes its mandate derived from the Council for Built Environment Act, 2000 (Act 43 of 2000). The scope of the CBE and the Professional Councils in the built environment value chain is to coordinate the work of the professional councils that regulate the industry in respect of conceptualisation, design, building maintenance, maintenance and transfer of social and economic infrastructure. As such the CBE mandate is also informed by the Acts, mainly of the six built environment professions that report to the Minister of Public Works and Infrastructure	Transfer payment from the grant allocation statutorily made available to the entity by way of Parliamentary budget vote	• Provision of advisory services to the Government on any matter falling within the scope of built environment including resource utilisation, socio-economic development, public health, safety and the environment and such services are mainly derived through research work. • Facilitate intergovernmental operation concerning issues relating to the built environment. • corporate governance assessment to ensure the consistent application of policies by professional councils for the built environment. a. accreditation of higher learning institutions offering courses towards qualifications in the built environment discipline b. registration of different categories of registered persons and consistency in the application of key elements of competency testing of registered persons c. codes of conduct to be prescribed by the councils for respective professions d. principles upon which the councils for the professions must base the determination of fees for which the registered persons are entitled to charge in terms of any

			of the professions' Acts and in accordance with any legislation relating to the promotion of competition. e. standards of health safety and environmental protection within the built environment f. recognition of voluntary association for the built environment professions, by approving the framework for that recognition submitted by the councils for the profession • broad-based long-term strategy for the transformation of the built environment • optimum functioning of the CBE through the revision of business processes to arrive at appropriate organisational capacity and operational efficiency that will allow to effectively discharge its legislative mandate. • throughout study of the demand and supply of the built environment skills to provide advisory services on the development of a skills pipeline for the built environment
COSTRCUTION INDUSTRY DEVELOPMENT BOARD	Schedule 3A Public Entity	Transfer payment from the grant allocation statutorily made available to the entity by way of a Parliamentary budget vote	• Developing sound corporate governance and promoting an ethical environment in achieving the desired outcome of a clean audit • Maintaining the national register of contractors, the contractor recognition scheme, the Register of Projects and Projects Assessment Scheme and enforcing compliance with the CIDB regulations • Monitoring and evaluation of the construction industry's performance to ensure achievement of the desired outcomes of transformation and development • Developing, promoting and updating the construction industry research agenda by establishing a knowledge cantre whose insights should enable guidance on the development and design of interventions towards challenges affecting the industry, for example, an increased black ownership and participation by designated groups, in particular women and youth.

			• Promote uniform application of procurement and delivery management policies affecting the construction industry throughout all spheres of government.
INDEPENT DEVELOPMENT TRUST	Deed of Trust IT 669/91 Trust Property Control Act, 1988 (Act 57 of 1998) Public Finance Management Act, 1999 (Act 1 of 199)	Receives supplementary financial support from the line Department to make up for operating costs shortfalls	• Implementation of public social infrastructure programme to support provision of health and education infrastructure e.g. refurbishment, replacement, upgrades and construction of new school infrastructure and health facilities • Implementation of public social infrastructure programme to support economic development, growth and support to the SMMEs, women and youth-owned enterprises • Implementation of public employment initiatives and public social infrastructure programme which contribute to economic development, growth and support to the SMMEs, women and youth-owned enterprises and other categories of designated groups such as people with disabilities.

1.5. Statement of accountability

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

All the information and amounts disclosed throughout the Annual Report are consistent. The Annual Report is complete, accurate and free from any omissions.

The Annual report has been prepared in line with the guidelines on the Annual Report as issued by the National Treasury.

The Annual Financial Statements (the AFSs in Chapter 6) have been prepared in accordance with the modified cash standards, 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 judgment made on this information.

The Accounting Officer is responsible for the establishment of the system of Internal Control that has been designed to provide reasonable assurance as to the integrity and reliability of performance information, the human resources management information and the annual financial statements.

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

In my opinion the annual report fairly reflects operations, the performance information, the human resources information and the financial affairs of the department for the financial year ending on 31 March 2025.

Yours Faithfully

Mr Sifiso Mdakane
Director-General

31 March 2025

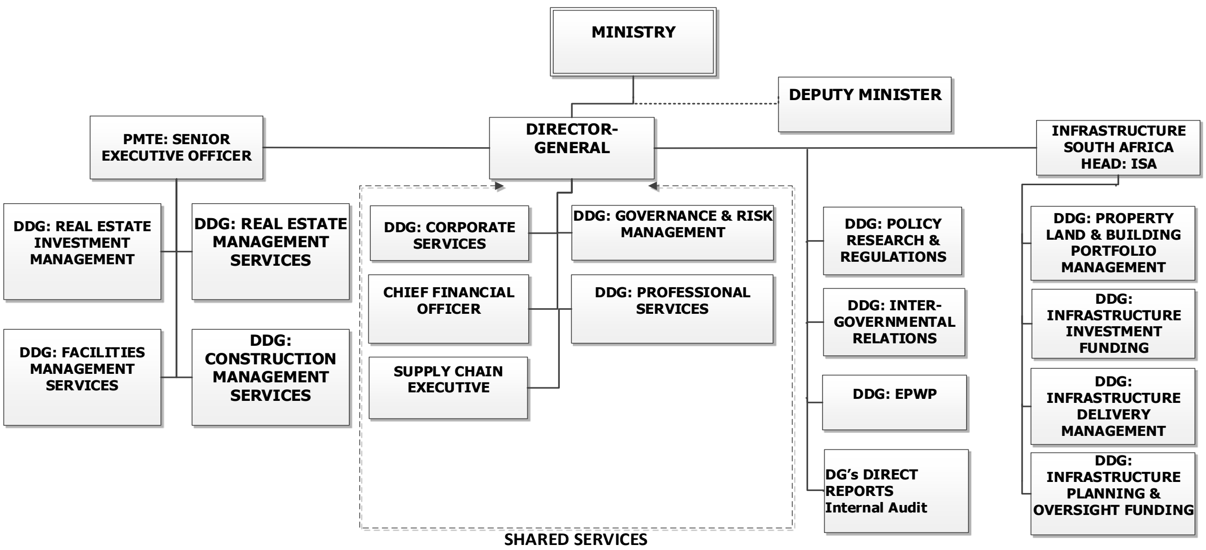
CHAPTER 2
PERFORMANCE INFORMATION

2.1. Overview of Departmental Performance

The Department's programmes have relatively remained the same as the previous financial year for consistency and measurability of progress over time. The Main Vote (the Department) focused mainly on the Intergovernmental Coordination, coordination of Expanded Public Works Programme (the EPWP), Property and Construction Industry Policy and Research, and management of the Prestige portfolio. The core business of property management was ring-fenced under the Property Management Trading Entity (the PMTE) with emphasis on, *inter alia*, managing relations between the Department and the clients' Departments, Planning and Precinct Development (the PPD), Construction Project Management (the CPM), management of Immovable Asset Register (the IAR) and Facilities Management (the FM). The programme structure of the Main Vote is displayed below.

The PMTE currently manages the largest Real Estate portfolio in South Africa. As the custodian and manager of the government's immovable assets, the PMTE directly impacts the efficiency and effectiveness of all user departments given the critical role that well-functioning infrastructure plays in enabling service delivery. The Business Model of the PMTE is based on an interdisciplinary approach with greater synergies between the Department's property and asset management functions and an integrated approach to service delivery. The core business of PMTE consists of three focused operational divisions, being Real Estate Investment Services (the REIS), Real Estate Management Services (the REMS), Construction Project Management (the CPM) and Facilities Management (the FM). The programmes are presented in the organogram below.

Figure 2.1. Organogram



2.2. Key policy development and legislative changes

For the period under review, the Infrastructure Development Act Amendment Bill has been developed and pre-certified by the Office of the Chief State Law Adviser (OCSLA). Additionally, the Bill's SEIAS Report was certified by the DPME. The draft Bill and Business Case were thereafter submitted to the Minister for processing and further engagements with the Ministers of Finance and the Public Service and Administration, respectively. The objective of the Infrastructure Development Act Amendment Bill is to establish Infrastructure South Africa (ISA) as the central agency for leading, planning, prioritising and expanding infrastructure development in South Africa. This Bill will enhance the efficiency and effectiveness of infrastructure delivery, through more coordinated public infrastructure spending and planning. The other Bills that are under development include the Construction Industry Development Board (CIDB) Bill, the Public Works Bill and the Public Works General Laws Amendment and Repeal Bill

2.3. Progress towards Achievement of Institutional Impacts and Outcomes

The 7th Administration priorities of government reflect the realities of the people and set out the broad framework to respond to triple challenges, i.e. poverty, unemployment and inequality, facing the South African nation. These priorities serve as support for the implementation of the National Development Plan (the NDP 2030) which will be implemented through pre-determined objectives and set targets in the Medium-Term Development Plan (the MTDP), The Government's basic minimum programme priorities as determined by the GNU, are therefore stated as follows.

1. Inclusive growth and job creation
2. Reduce poverty and tackle the high cost of living.
3. A capable, ethical and developmental state

These 3 minimum programme priorities have given meaning to the re-configuration of the Department of Public Works and Infrastructure, and an opportunity to refocus towards achieving its existence and new infrastructure mandate in the implementation of quality public services for the public good. The outcomes of the Department and its entities were also aligned to one or more of these GNU minimum programme priorities to focus on implementation and targeted infrastructure service delivery that addresses ever-increasing service delivery needs across South Africa. The focus of the Government has been on Infrastructure-led economic growth, which will facilitate crowding in the private sector.

The Department has therefore developed 7 Outcomes all of which contribute to some of the GNU 7th Administration minimum programme priorities. The level of performance per key performance indicator is depicted below.

2.4. Institutional Programme Performance Information

The Outcomes of the Department are as follows.

Outcome 1. Resilient, Capable and Developmental DPWI

Outcome Statement	DPWI is being structured to be streamlined and outcome-based, focused on implementation. Re-inventing the organisation to be Agile, Ethical, Compliant and Capable, where everyone wants to work, with improved efficiency achieved through seamless,

	automated processes and robust support for infrastructure to enable service delivery.

Outcome 2: Integrated Planning and Coordination

Outcome Statement	Integrated planning and coordination for inclusive economic growth and structural transformation resulting in socio-economic returns and development

Outcome 3: Productive Assets

Outcome Statement	Optimise DPWI asset portfolio management to positively impact the economy, service delivery and environment

Outcome 4: Sustainable Infrastructure Investment

Outcome Statement	Sustainable Infrastructure Investment for inclusive Economic-Growth

Outcome 5: Transformed Build Environment

Outcome Statement	Contribute towards poverty alleviation and inclusive economic growth through targeted contracting, built environment transformation, skills development and achievement of spatial justice through strategic use of the DPWI public land and building asset portfolio to effect spatial redress

Outcome 6: Optimised Job Opportunities

Outcome Statement	Contribute towards poverty alleviation and unemployment reduction amongst designated groups through the provision of job opportunities

Outcome 7: Dignified Client Experience

Outcome Statement	Provide facilities that enable public services to be delivered in a dignified and efficient manner through improved standards and conditions

2.5 PERFORMANCE INFORMATION

Performance information is presented in two tables for each programme. The A tables show the originally tabled APP for the first 3 quarters of the financial year, while the B tables show the Re-tabled APP. The re-tabled APP includes some KPIs that have been added and others that have been reworded.

Table 2.1 A: Originally Tabled APP: DPWI Administration

Programme 1: DPWI Administration **Purpose: To provide strategic leadership management and support services to the department**									
Sub-Programme: Corporate Service									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target	Reasons for Deviation	Reasons for revisions
Resilient, Ethical and Capable DPWI	Good Governance	Number of Business Process Automated	30%	20%	5 Business Processes Automated	2 Business Processes Automated	-3	Poor response of business requirements	Newly issued SCM directives and policies have prompted a revision of business requirements and implementation plans for automation.
		Percentage in progress of implementation against the business case (plan)	New Indicator	New Indicator	80% assessment and development of the Business Case	5% stakeholders' engagement underway (33.3%)	-75%		The department initiated a business systems assessment and evaluation to ensure the systems are fit for purpose and

Programme 1: DPWI Administration **Purpose: To provide strategic leadership management and support services to the department**									
Sub-Programme: Corporate Service									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target	Reasons for Deviation	Reasons for revisions
									effectively support the department's operations.

Table 2.1 B: Re-Tabled APP: DPWI Administration

Programme 1: DPWI Administration Purpose: To provide strategic leadership management and support services to the department								
Sub-Programme: Corporate Service								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
Resilient, Ethical and Capable DPWI	Good Governance	Ethics and Fraud Perception rating	31.36%	21.85%	20%-40%	0 No Ethics and Fraud Perception rating conducted this FY.	20%	Lack of capacity due to a reduction in investigating officers has hindered the implementation of this program. Despite this, data from the past three financial years have been used to create an action plan to address key issues, some of which have been included in awareness campaigns.
	Good Governance	Compliance Rate	100%	84%	100%	74%	-26%	Incomplete reporting and

Programme 1: DPWI Administration Purpose: To provide strategic leadership management and support services to the department								
Sub-Programme: Corporate Service								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
		(Basket of key compliance matters)						systemic delays across various units. The reported figures do not accurately reflect the full compliance level due to some units consistently failing to submit their reports across quarters
	Performance Measurement	Percentage Performance Information Level	58%	51%	80%-100%	43% (28 of 65)	-37%	Changes to strategic direction affected some programmes such as REMS where the leasing procedures had to be reconsidered. The CPM programme continues to suffer

Programme 1: DPWI Administration **Purpose: To provide strategic leadership management and support services to the department**								
Sub-Programme: Corporate Service								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								from budget allocations and external factors affecting the completion of projects
	Spent of allocated Budget	Percentage Financial Performance Level	100%	99%	100%	99%	-1%	The 1% underspending accounts for the delays experienced in the filling of positions. - Goods and services for funds allocated for the project preparations, with the R25 million not being spent by the end of the financial year. Programmes

Programme 1: DPWI Administration								
Purpose: To provide strategic leadership management and support services to the department								
Sub-Programme: Corporate Service								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								2 and 3 were also underspent on goods and services (R6.5 million) due to the implementation of the cost containment measures.
	Vacancy Rate	Percentage Vacancy Rate	11%	11%	10% Vacancy Rate	14% Vacancy Rate	4%	Delays in the filling of positions due to the implementation of National Treasury cost containment measures with effect from 31 August 2023 and subsequent DPSA Directive. Impact of the moratorium
	Designated Groups empowerment and opportunity	Percentage of Designated Groups in SMS level in the Department (Women and PWD)	40.88% 1.13%	40.70% 1.19%	Women: 48% PWD: 3%	Women in SMS: 41.34% PWD: 1.11%	-6.66% -1. 89%	

Programme 1: DPWI Administration **Purpose: To provide strategic leadership management and support services to the department**								
Sub-Programme: Corporate Service								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								on the filling of positions. The department continues to experience a significant number of male applications in some positions. Similarly, the PWD target continues to be affected by the limited applications
	HR Delegations	Approved HR Delegations	New Indicator	New Indicator	1	1	-	-
	Ethics Officer	Appointment of an Ethics Officer	New Indicator	New Indicator	1	1	-	-

Programme 1: DPWI Administration Purpose: To provide strategic leadership management and support services to the department								
Sub-Programme: Corporate Service								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
	ICT architecture to enable modernisation of systems	Number of Business Process Automated	30%	20%	1 Business Process Automated	2 Business Process Automated	1 additional business process automated	Access to Specialised expertise, skills and experience accelerated the delivery of projects
		Number of business solutions for digitisation	New Indicator	New Indicator	Assessment of the ICT system	The ICT Systems assessment was not fully completed. However, note the following progress has been attained as per the ICT progress provided: •SITA has been	Incomplete Assessment of ICT system	The deviation occurred as the project was delayed; the appointed service provider requested an extension on the project implementation plan.

Programme 1: DPWI Administration Purpose: To provide strategic leadership management and support services to the department								
Sub-Programme: Corporate Service								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
						appointed to undertake a systems assessment. • Project charter reviewed and signed • Project plan updated		

Table 2.2 A: Originally Tabled APP: Intergovernmental Coordination

Programme 2: Intergovernmental Coordination **Purpose: Provide sound sectoral intergovernmental relations and strategic partnership**									
Sub-Programme: **Intergovernmental Relations and Coordination Public Entities under DPWI**									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reasons for revision
Integrated Planning and Co- ordination	Sector Performance Report	Approved sector plan	New indicator	Sector plan developed, but not yet approved	Revised Five-Year Sector Plan Implemented	MinMEC approved the 2025-2030 PWI Sector Plan	Non --implementation of the Revised Five-Year Sector Plan	-	The target was revised to align with the planning term/ period for sector planning.

Table 2.2 B: Re-Tabled APP: Intergovernmental Coordination (Final)

Programme 2: Intergovernmental Coordination Purpose: Provide sound sectoral intergovernmental relations and strategic partnership								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
Integrated Planning and Coordination	Sector Performance Report	Approved 2025 – 2030 Sector Plan	New indicator	Sector plan developed, but not yet approved	2025 – 2030 Sector Plan approved	2025 – 2030 Sector Plan approved	-	-
	Sector Performance	Number of approved Sector performance reports on the implementation of the 2020 – 2025 Sector Plan	2 sector performance reports	2 sector performance reports	2	2	-	-
	disputes resolved	Number of disputes resolved	New indicator	New indicator	20 Disputes resolved	12 disputes were resolved.	8	Protracted process for negotiations. Some matters require

Programme 2: Intergovernmental Coordination Purpose: Provide sound sectoral intergovernmental relations and strategic partnership								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								further planning and feasibility studies before conclusions, whereas others require council approval before finalisation.
Transformed Built Environment	Reduced built environment skills gap	Number of beneficiaries participating in the DPWI skills pipeline	1100	1200	1200 beneficiaries participating in the DPWI skills	1 266 beneficiaries	+66	More beneficiaries participated in the programme

Programme 2: Intergovernmental Coordination **Purpose: Provide sound sectoral intergovernmental relations and strategic partnership**								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
		interventions programmes			pipeline interventions programmes			
		No of reports on Interventions implemented on the BE Professionalization and skills development strategy for the Public Sector	2 sector performance reports	2 sector performance reports	4 reports	4 reports	-	-

Table 2.3 A: Originally Tabled APP: Expanded Public Works Programme (Revisions)

Programme 3: EPWP **Purpose: Coordinate the implementation of Expanded Public Works Programme which aims to create job opportunities and provide training for the unskilled, marginalized and unemployed people in South Africa**									
Sub-Programme: Operations, Monitoring and Evaluations, Partnership Support and Coordinating Commission									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reason for revision
Integrated Planning and Coordination	Work opportunities reported	Number of progress reports on the EPWP-RS validated work opportunities reported by public bodies	4	4	4	3	1	-	The indicator was revised from measuring reports to actual numbers. Furthermore, the indictor was crafted to reflect verification rather than validated,

Programme 3: EPWP Purpose: Coordinate the implementation of Expanded Public Works Programme which aims to create job opportunities and provide training for the unskilled, marginalized and unemployed people in South Africa									
Sub-Programme: Operations, Monitoring and Evaluations, Partnership Support and Coordinating Commission									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reason for revision
	Reconceptualisation of the EPWP programme								as verification falls outside of the scope of the Department.
Massifying job creation through the Expanded Public Works Programme (EPWP)	Job creation through the implementation of projects by DPWI (NPO	Reconceptualised EPWP programme	New Indicator	New Indicator	EPWP Phase 5 proposal finalized	EPWP Phase 5 business plan developed and approved	-	-	The indicator rephrased to ensure measurability of the output indicator and alignment

Programme 3: EPWP **Purpose: Coordinate the implementation of Expanded Public Works Programme which aims to create job opportunities and provide training for the unskilled, marginalized and unemployed people in South Africa**									
Sub-Programme: Operations, Monitoring and Evaluations, Partnership Support and Coordinating Commission									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reason for revision
	programme implemented through the Independent Development Trust and cleaning of government buildings)								to the targets.
		Number of validated work opportunities reported by DPWI on the EPWP RS	New Indicator	New Indicator	50 048 work opportunities created by DPWI in the 2425 financial year (cumulative)	49 017 Work Opportunities reported by the DPWI (cumulative)	-.	Over-performance by the EPWP NPO programme.	Targets revised to align to the targets in the EPWP Phase 5 Business Plan.
	Job creation through the implementation of Ministerial	Number of government buildings cleaned through EPWP	New Indicator	New Indicator	400 government buildings cleaned through EPWP	511 government buildings cleaned through EPWP (cumulative)	Additional 111 were achieved by Q3	FM implementation rollout ahead of schedule	The indicator is associated with the Facilities Manageme

Programme 3: EPWP Purpose: Coordinate the implementation of Expanded Public Works Programme which aims to create job opportunities and provide training for the unskilled, marginalized and unemployed people in South Africa									
Sub-Programme: Operations, Monitoring and Evaluations, Partnership Support and Coordinating Commission									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reason for revision
	priorities (waste management, removal of alien invasive species and clearing of river streams, cleaning spaces, road repair, block paving, maintenance including pothole patching)								nt (FM) Branch.
Massifying job creation through the Expanded Public Works Programme (EPWP)		Number of work opportunities reported by the Public Bodies supported by DPWI (Ministerial Priority Areas)	New Indicator	New Indicator	2 509 work opportunities reported by public bodies supported by DPWI (Ministerial Priority Areas)	10 363 work opportunities created on Ministerial priority projects. (cumulative) cleaning of buildings	7 854 additional work opportunities created on Ministerial priority projects.	More public bodies are implementing the priority areas than anticipated.	The indicator was removed as the work opportunities generated through the activities contributing to the output are reported under indicator 3.1 in the

Programme 3: EPWP Purpose: Coordinate the implementation of Expanded Public Works Programme which aims to create job opportunities and provide training for the unskilled, marginalized and unemployed people in South Africa									
Sub-Programme: Operations, Monitoring and Evaluations, Partnership Support and Coordinating Commission									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reason for revision
									re-tabled APP.
Massifying job creation through the Expanded Public Works Programme (EPWP)	One Township - One Recycling Centre plan in partnership with private sector. i.e. Heineken, Coca-Cola, SAB	Approved Plan on One Township - One Recycling Centre in partnership with private sector	New Indicator	New Indicator	1 Township - One Recycling Centre Plan approved	0 Township-One Recycling Centre Plan not approved	-1	The mandate for approval lies with DFFE. DFFE needed to follow up with stakeholders.	The indicator was removed and cascaded to the Operational Plan.
	Training on maintenance of solar panels in	Number of youths trained on solar maintenance of solar panels	New Indicator	New Indicator	67 of youth trained on solar maintenance of solar	0 youth trained on solar maintenance of solar	67	Delays in liaison between DPWI town planners and	The indicator was removed and

Programme 3: EPWP **Purpose: Coordinate the implementation of Expanded Public Works Programme which aims to create job opportunities and provide training for the unskilled, marginalized and unemployed people in South Africa**									
Sub-Programme: Operations, Monitoring and Evaluations, Partnership Support and Coordinating Commission									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reason for revision
	parliamentary villages	in parliamentary villages.			panels in parliamentary villages	panels in parliamentary villages		City of Cape Town.	cascaded Operational Plan.

Table 2.3 B: **Re-Tabled APP: Expanded Public Works Programme (Final)**

Programme 3: Expanded Public Works Programme **Purpose: Coordinate the implementation of Expanded Public Works Programme which aims to create job opportunities and provide training for the unskilled, marginalized and unemployed people in South Africa**								
Sub-Programme: Operations, Monitoring and Evaluations, Partnership Support and Coordinating Commission								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
Integrated planning and coordination	Work opportunities reported	Number of verified work opportunities reported in the EPWP-RS by public bodies	New Indicator	New Indicator	1 004 746	923 718	-81 028	Underreporting of approximately 100 000 work opportunities in the Community Work Programme
Massifying job creation through the Expanded Public Works Programme (EPWP)	EPWP Phase 5 business plan	EPWP Phase 5 business plan developed	New Indicator	New Indicator	EPWP Phase 5 business plan developed	EPWP Phase 5 business plan developed	-	-
	Validated Work opportunities reported	Number of validated Work opportunitie	New Indicator	New Indicator	62 313 validated Work Opportunitie	60 423 validated Work Opportunities	-1 890	Implementation of EPWP projects by

Programme 3: Expanded Public Works Programme **Purpose: Coordinate the implementation of Expanded Public Works Programme which aims to create job opportunities and provide training for the unskilled, marginalized and unemployed people in South Africa**								
Sub-Programme: Operations, Monitoring and Evaluations, Partnership Support and Coordinating Commission								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
		s reported by DPWI on the EPWP-RS.			s reported by DPWI on the EPWP-RS.	reported by DPWI on the EPWP-RS.		DPWI must be strengthened

Table 2.4 A: Originally Tabled APP: Construction and Property Industry Policy and Research

Programme 4: Construction and Property Industry Policy and Research **Purpose: Promote growth and transformation of construction and property industry. Promote a standardized approach and best practice in the construction and immovable asset management in the public sector**									
Sub-Programme: ISA									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025 until date of re=tabling	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reason for revision
Transformed Built Environment	Infrastructure legislative programme	Infrastructure Development Act amendments submitted to Cabinet	Infrastructure Development Act Amendment Regulations gazzeted	Infrastructure Development Act Amendment Bill submitted to Minister for introduction to Cabinet	Infrastructure Development Act Amendment Bill introduced to Parliament by the Minister	Infrastructure Development Act amendment Bill has been developed. Pre-certified by the Office of the Chief State Law Adviser (OCSLA).	Infrastructure Development Act Amendment Bill not yet introduced to Parliament	The draft Bill and Business Case submitted to the Minister for further processing	The target was rephrased to align with the process that still needed to be undertaken prior to introducing the Bill to Parliament

Programme 4: Construction and Property Industry Policy and Research **Purpose: Promote growth and transformation of construction and property industry. Promote a standardized approach and best practice in the construction and immovable asset management in the public sector**									
Sub-Programme: ISA									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025 until date of re=tabling	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reason for revision
						The Bill's SEIAS Report was certified.			
Sustainable infrastructure investment	Implementation of Strategic Infrastructure Projects (SIPs)	Number of SIPS completed	New indicator	New indicator	3	7 SIPs completed (2 EC; 1 KZN; 1 LP; 1 GP & 2 NC)	+4	Attributable to the accelerated completion of specific phases or work packages within some multi-year projects. Certain components reached	The indicator was removed. The implementation of the SIPs is outside the ambit and responsibility of the ISA/ DPWI

Programme 4: Construction and Property Industry Policy and Research **Purpose: Promote growth and transformation of construction and property industry. Promote a standardized approach and best practice in the construction and immovable asset management in the public sector**									
Sub-Programme: ISA									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025 until date of re=tabling	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reason for revision
								completion earlier than anticipated due to improved implementation progress and efficient coordination.	
		Number of SIPs in construction	New indicator	New indicator	12	7 SIPs in construction (1 FS; 1 WC; 1 NW, 2 NC; 1 MP and 1 LP)	-5	The Strategic Infrastructure Projects are mega infrastructure projects that are	The indicator was removed. The information for this indicator is

Programme 4: Construction and Property Industry Policy and Research Purpose: Promote growth and transformation of construction and property industry. Promote a standardized approach and best practice in the construction and immovable asset management in the public sector									
Sub-Programme: ISA									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025 until date of re=tabling	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reason for revision
								implemented over multiple years, comprising several components that commence at different stages of the implementation lifecycle reported on throughout their full developmen	contained in the SIPs report.

Programme 4: Construction and Property Industry Policy and Research **Purpose: Promote growth and transformation of construction and property industry. Promote a standardized approach and best practice in the construction and immovable asset management in the public sector**									
Sub-Programme: ISA									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025 until date of re=tabling	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reason for revision
								t and delivery cycle from preparation and packaging through to completion. However, SIPs in construction are only measured on the financial year in which they	

Programme 4: Construction and Property Industry Policy and Research **Purpose: Promote growth and transformation of construction and property industry. Promote a standardized approach and best practice in the construction and immovable asset management in the public sector**									
Sub-Programme: ISA									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025 until date of re=tabling	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reason for revision
								commence construction	

Table 2.4 B: **Re-Tabled APP: Construction and Property Industry Policy and Research (Final)**

Programme 4: Construction and Property Industry Policy and Research **Purpose: Promote growth and transformation of construction and property industry. Promote a standardized approach and best practice in the construction and immovable asset management in the public sector**								
Sub-Programme: Policy								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
Transformed Built Environment	Infrastructure Legislative Programme	Expropriation Bill Introduced in Parliament[1]	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
		Public Works Bill submitted to the Minister to introduce to Parliament	Public Works Bill Gazetted	Public Works Bill not revised. Inputs made by all work streams in response to questions posed by the drafter	Draft Public Works Bill revised for submission to Parliament	Internal Memorandum was not submitted to Minister. Draft Public Works Bill not revised.	Submission of Memorandum to Minister	The Legislative Program Workshop was held on 3 February 2025 to determine the Departmental Legislative

[1] The Expropriation Bill KPI was initially targeted over a 5 year period. However, the target was achieved in first financial year

Programme 4: Construction and Property Industry Policy and Research Purpose: Promote growth and transformation of construction and property industry. Promote a standardized approach and best practice in the construction and immovable asset management in the public sector								
Sub-Programme: Policy								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								Program for 7th Administration
		Amendment of the Construction Industry Development Board Act 2000 (Act 38 of 2000)	CIDB Amendment Bill not submitted to the Minister	CIDB Amendment Bill submitted to the Minister towards introduction to Cabinet	Public participation on CIDB Amendment Bill	Inputs for public participation processes were consolidated.	-	Analysis of the comments received took longer than anticipated as a result of the number of inputs provided. And as well as consultation with Universities

Programme 4: Construction and Property Industry Policy and Research **Purpose: Promote growth and transformation of construction and property industry. Promote a standardized approach and best practice in the construction and immovable asset management in the public sector**								
Sub-Programme: Policy								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								of South Africa representation extended the consultation process of the original schedule.
		Development of the Public works General laws Amendment Bill	New indicator	Draft Public Works General Laws Amendment and Repeal Bill submitted to Minister for approval	Revised Bill introduced to Parliament for Parliamentary processes	Revised Bill not introduced to Parliament for Parliamentary processes	Non introduction of Bill to Parliament for Parliamentary process	The Legislative Program Workshop was held on 3 February 2025 to finalise the Departmental Legislative

Programme 4: Construction and Property Industry Policy and Research **Purpose: Promote growth and transformation of construction and property industry. Promote a standardized approach and best practice in the construction and immovable asset management in the public sector**								
Sub-Programme: Policy								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
				to submit to cabinet				Program for 7th Administration
Sustainable infrastructure investment	Infrastructure Legislative Programme	Infrastructure Development Act amendments submitted to Cabinet	Infrastructure Development Act Amendment Regulations gazzeted	Infrastructure Development Act Amendment Bill submitted to Minister for introduction to Cabinet	Infrastructure Development Act Amendment Bill developed submitted to Minister for introduction to Cabinet for public consultations	Infrastructure Development Act Amendment Bill developed.	Infrastructure Development Act Amendment Bill has been developed but not submitted for Cabinet for public consultations.	The Bill has been developed and pre-certified by the OCSLA but cannot progress further due to lack of approval from the Minister of Finance for the Business

Programme 4: Construction and Property Industry Policy and Research **Purpose: Promote growth and transformation of construction and property industry. Promote a standardized approach and best practice in the construction and immovable asset management in the public sector**								
Sub-Programme: Policy								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								Case to establish ISA as a public entity.
		Number of Implementation reports on the status of Strategic Integrated Projects (SIPs) submitted	4 implementation reports on the status of Strategic Integrated Projects (SIPs) submitted	4 implementation reports on the status of Strategic Integrated Projects (SIPs) submitted	4 implementation reports on the status of Strategic Integrated Projects (SIPs) submitted	4 implementation reports on the status of Strategic Integrated Projects (SIPs) submitted	-	-
Unleashing infrastructure development and	Improved coordination of infrastructure projects rollout	Analyse trend in public and private sector gross fixed	New indicator	New indicator	1 annual infrastructure investment report (an analysis of infrastructure	1 annual Infrastructure investment report	-	-

Programme 4: Construction and Property Industry Policy and Research **Purpose: Promote growth and transformation of construction and property industry. Promote a standardized approach and best practice in the construction and immovable asset management in the public sector**								
Sub-Programme: Policy								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
maintenance	between the three spheres of government	capital formation			investment in South Africa-historical and recent trends from key indicators)			
Unleashing infrastructure development and maintenance	Implementation of green hydrogen projects registered under SIPs	Number of Green hydrogen projects registered under SIPs implemented	New indicator	New indicator	3 projects supported for unlocking permits, regulatory challenges and licenses	5 Green Hydrogen Projects 1 in EC; 1 in MP; 3 in NC were registered and granted SIP status for implementation. Unblocking ongoing as requested.	2 Green Hydrogen Projects 1 in EC; 1 in MP; 3 in NC were registered and granted SIP status for implementation. Unblocking ongoing as requested.	The investor appetite, driven by South Africa's strategic advantage, combined with the state interventions, is continuing to attract positive

Programme 4: Construction and Property Industry Policy and Research **Purpose: Promote growth and transformation of construction and property industry. Promote a standardized approach and best practice in the construction and immovable asset management in the public sector**								
Sub-Programme: Policy								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								private investment interest. The submissions received were more than expected.
	Operationalise the infrastructure fund	Number blended finance projects to reach financial close	1 Project – Goodwood Station Social Housing Project	1 Project – Midrand Heights Social Housing Project	4 projects	1 project (Midrand Heights Social Housing Project)	-3	The Infrastructure Fund performance is affected by binding constraints in the institutions' Operational Model. The

Programme 4: Construction and Property Industry Policy and Research Purpose: Promote growth and transformation of construction and property industry. Promote a standardized approach and best practice in the construction and immovable asset management in the public sector								
Sub-Programme: Policy								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								National Treasury is spearheading the resolution of this as part of on-going reforms (institutional arrangements).

Table 2.5 A: Originally Tabled APP: Prestige Policy

Programme 5: Prestige Policy **Purpose: Provide norms and standards for the prestige accommodation portfolio and meet the protocol responsibilities of the state functions**									
Sub-Programme: To provide norms and standards for the prestige accommodation portfolio and meet the protocol responsibilities for the state functions									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reasons for revision
Dignified client experience	Movable assets delivery	Percentage of movable assets provided within 60 working days after approval by Prestige clients	100% movable assets provided within 60 working days after approval by Prestige clients	100% movable assets provided within 60 working days after approval by Prestige clients	100% movable assets provided within 60 working days after approval by Prestige clients	33,3%	-66,7%	Prices were not market related	The quarterly targets were amended to align with the annual target of 120 working days reflected in the MTEF table.

Table 2.5 B: **Re-Tabled APP: Prestige**

Programme 5: Prestige Policy **Purpose: Provide norms and standards for the prestige accommodation portfolio and meet the protocol responsibilities of the state functions**								
Sub-Programme: To provide norms and standards for the prestige accommodation portfolio and meet the protocol responsibilities for the state functions								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
Dignified client experience	Infrastructure delivery	Number of planned state events supported with movable structures	5 planned state events supported with movable structures	14 planned state events supported with movable structures	8 planned state events supported with movable structures	23 successful State events with supported infrastructure, 9 planned events 14 unplanned events	+15	More state events supported
	Moveable assets delivery	Percentage of movable assets provided within 120 working days after	100% movable assets provided within 120 working days after approval	100% movable assets provided within 120 working days after approval	100% of provision of movable assets from a condition assessment register of	33,3%	-66,7%	Prices were not market related and affected performance

Programme 5: Prestige Policy Purpose: Provide norms and standards for the prestige accommodation portfolio and meet the protocol responsibilities of the state functions								
Sub-Programme: To provide norms and standards for the prestige accommodation portfolio and meet the protocol responsibilities for the state functions								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
		approval by Prestige clients	by Prestige clients	by Prestige clients	movable assets			
	Management of movable assets	Percentage of provision of movable assets from a condition assessment register of movable assets	80% provision of movable assets from a condition assessment register of movable assets	100% provision of movable assets from a condition assessment register of movable assets	100% of provision of moveable assets from a condition assessment register of moveable assets	83,86%	-16,14	Prices were not market related and affected performance
Unleashing infrastructure development and	Management of movable assets	Establishment of Turnkey Solution for provision of	New indicator	New indicator	Establishment of Turnkey Solution for provision of	0%	-100%	Insufficient funding received hence project

Programme 5: Prestige Policy **Purpose: Provide norms and standards for the prestige accommodation portfolio and meet the protocol responsibilities of the state functions**								
Sub-Programme: To provide norms and standards for the prestige accommodation portfolio and meet the protocol responsibilities for the state functions								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
maintenance		moveable assets			moveable assets			could not proceed
		Installation of Alternative Back up power solutions on selected Prestige properties	New indicator	New indicator	Concept Document Solution and Implementation at Ministerial residences in Pretoria	The concept document was developed and approved and two PIs were issued	Non implementation of concept document at Parliamentary solution	Funding could not be secured owing to reduced baseline reduced by National Treasury

Table 2.6 B: **Re- Tabled APP: PMTE Administration (Final)**

Programme: PMTE Administration **Purpose: Provide leadership and strategic support, governance and administrative support to the Property Management Trading Entity (PMTE)**								
Sub-Programme: Finance								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
Resilient, Ethical and Capable PMTE	Spent the allocated Budget	Percentage Finance Performance Level	95%	99%	100%	97%	-3%	The PMTE experience high pressure on its cash flow due to Clients reducing their baseline on accommodation charges. Defence and Correctional Services are the major contributors and although services to those clients have been

Programme: PMTE Administration Purpose: Provide leadership and strategic support, governance and administrative support to the Property Management Trading Entity (PMTE)								
Sub-Programme: Finance								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								reduced, it could not be halted immediately without contractual repercussions. This influenced the availability of funding for mostly maintenance and the payment of property rates.

Table 2.7 A: Originally Tabled APP: Real Estate Investment Services

Programme 7: Real Estate Investment Services **Purpose: To optimize utilization and maximize the value of state property portfolio**									
Sub-Programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reasons for revision
Integrate planning and coordination	Number of immovable assets identified and confirmed for letting and strategic development	Number of properties for letting and strategic development	New indicator	New indicator	400 properties identified and confirmed for letting of government properties	396	4	complexity of feasibility requires more time per reports	The target was amended from 400 to 430 to align with identified and confirmed properties.
			New indicator	New indicator	50 properties identified and confirmed for strategic development	37	-13	The feasibility study took longer than expected, impacting	No revision

Programme 7: Real Estate Investment Services Purpose: To optimize utilization and maximize the value of state property portfolio									
Sub-Programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reasons for revision
								the decision-making process for identifying and confirming properties for strategic development.	
Unleashing infrastructure development and	Standard design guidelines for functional accommodation completed	Number of standard design guidelines for DCS, SAPS,	New indicator	New indicator	2 Standard design guidelines for DCS and DOJ functional	1	-1	Designed guidelines for DCS is finalized. The standard design	Removed the names of client department to reflect

Programme 7: Real Estate Investment Services Purpose: To optimize utilization and maximize the value of state property portfolio									
Sub-Programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reasons for revision
maintenance		DHA, DOJ developed			accommodation			guidelines for DOJ are at 90 % completion stage. Currently this project is being delayed due to the slow response from the user client (DOJ)	them in the TID.
Unleashing infrastruct	Precinct Plans	Number of Precinct	1 Precinct Plan developed	1 Precinct Plan developed	8 Precinct Plans developed	7 Precinct Plans developed	1 additional precinct plan	Revision of APP based on	The target was revised to

Programme 7: Real Estate Investment Services **Purpose: To optimize utilization and maximize the value of state property portfolio**									
Sub-Programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reasons for revision
ure development and maintenance		Plans developed						resource allocated	align with Precinct Plan development processes.

Table 2.7 B: Re -Tabled APP: Real Estate Investment Services (Final)

Programme 7: Real Estate Investment Services

Purpose: To optimize utilization and maximize the value of state property portfolio

Sub-Programme:

Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
Integrated Planning and coordination	Approved CAMP submitted to NT	Number of approved CAMP submitted to NT	1 CAMP approved and submitted to National Treasury	1 CAMP approved and submitted to National Treasury	1 CAMP submitted to National Treasury	1 CAMP submitted to National Treasury	-	-
	Properties identified and confirmed for letting and strategic development	Number of properties identified and confirmed for letting and strategic development	New indicator	New indicator	430 properties identified and confirmed for letting	396	4	Complexity of feasibility requires more time per reports
			New indicator	New indicator	50 properties identified and confirmed for strategic development	37	-13	Complexity of feasibility requires more time per reports

Programme 7: Real Estate Investment Services Purpose: To optimize utilization and maximize the value of state property portfolio								
Sub-Programme:								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
Unleashing infrastructure development and maintenance	Approved standard design guidelines	Number of standard design guidelines approved	New indicator	New indicator	2 Standard design guidelines approved (DCS and DOJ)	1	-1	Designed guidelines for DCS is finalized. The standard design guidelines for DOJ are at 90 % completion stage. Currently this project is being delayed due to the slow response from the user client (DOJ)

Programme 7: Real Estate Investment Services **Purpose: To optimize utilization and maximize the value of state property portfolio**								
Sub-Programme:								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
Unleashing infrastructure development and maintenance	Precinct Plans developed	Number of Precinct Plans developed	1 Precinct Plan developed	1 Precinct Plan developed	6 Precinct Plans developed	7 Precinct Plans developed	1 additional precinct plan	Additional resources were acquired (contract professionals

Table 2.8 A: Originally Tabled APP: Construction Project Management

Programme 8: Construction Project Management **Purpose: To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction**									
Sub-Programme: Construction project planning and management									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reasons for revision
Integrated planning and coordination	Completed projects spend	Number of infrastructure sites handed over for construction	65	93	179	43	-136	1. Supply chain challenges (non-responsiveness, revaluations, awards being put on hold 2. Funding problems due to budget cuts for Client Department	The indictor was rephrased to reflect handing over of infrastructure project sites in order to specify which sites are being handed over.

Programme 8: Construction Project Management **Purpose: To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction**									
Sub-Programme: Construction project planning and management									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reasons for revision
								s. 3. Delays because of capacity problems at the Engineering Services 4. Cancellation of projects by Client Departments 5. Site clearance not issued 6. Co-	

Programme 8: Construction Project Management **Purpose: To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction**									
Sub-Programme: Construction project planning and management									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reasons for revision
								funding model not yet approved by Client. 7. Delays of appointments of engineers. 8.Detailed design concluded in March 2025	
Unleashing infrastructure developm	11 PMUs established and operationalised	Number of PMUs established and	New indicator	New indicator	6 PMU established	0	-6	The mandate to IDT implements the projects	Indicator cascaded to the Operational Plan

Programme 8: Construction Project Management Purpose: To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction									
Sub-Programme: Construction project planning and management									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reasons for revision
		operationalised						has been withdrawn with immediate effect by DG on 11 October 2024	
Unleashing infrastructure development and maintenance	Establishment of panels	Panels of contractors established	New Indicator	New indicator	Establishment of Panel of contractors	Panel of contractors for Grade 9 has been awarded. Grade 8 evaluations have been concluded and will be	Establishment of panel of contractors	Delays in the evaluation of tenders. This is a massive work that would have significantly progressed	Indicator cascaded to the Operational Plan

Programme 8: Construction Project Management **Purpose: To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction**									
Sub-Programme: Construction project planning and management									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reasons for revision
						submitted to NBAC for adjudication		if it had a dedicated Committee doing nothing but evaluations.	
	Establishment of panels	Panels of professional service providers established	New indicator	New indicator	Establishment of panels of professional service providers	0	Establishment of panels of professional service providers	The following Milestones were achieved: 1. A brief was issued to Engineering Services to resume with the establishme	Indicator cascaded to the Operational Plan

Programme 8: Construction Project Management **Purpose: To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction**									
Sub-Programme: Construction project planning and management									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reasons for revision
								nt of Panels in October 2024. 2. Projects are added on the consolidated procurement plan : November 2024. 3. Master Terms of Reference completed	

Programme 8: Construction Project Management Purpose: To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction									
Sub-Programme: Construction project planning and management									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reasons for revision
								: November 2024. 4. Master Procurement Strategy Completed : December 2024 5. Master Bid documents Completed	

Programme 8: Construction Project Management **Purpose: To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction**									
Sub-Programme: Construction project planning and management									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reasons for revision
								: December 2024	

Table 2.8 B: Re-Tabled APP: Construction Project Management (Final)

Programme 8: Construction Project Management **Purpose: To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction**								
Sub-Programme: Construction project planning and management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
Integrated Planning and Coordination	Accessible buildings	Number of approved infrastructure designs	87	79	123	54	-69	1. Approximately 190 generator projects were recalled to Head Office and given to FM Branch for implementation. 2. Delays caused by capacity problems of the

Programme 8: Construction Project Management								
Purpose: To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction								
Sub-Programme: Construction project planning and management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								Engineering Services. 3. Projects not allocated funding by Client Departments. 4. Project is on hold by instruction of Client Department. 5. Delays in procurement of professionals thus resulting in finalisation of sketch plan

Programme 8: Construction Project Management **Purpose: To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction**								
Sub-Programme: Construction project planning and management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								approvals. 6. Original engineer abandoning the project. 7. Cancellation of a tender to source the services of Architectural consultant
		Number of Projects completed within agreed construction period	35	41	106	29 (cumulatively)	-77	1. Delays in completion of projects on time resulting in contractors being charged penalties. 2. Cancellation

Programme 8: Construction Project Management **Purpose: To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction**								
Sub-Programme: Construction project planning and management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								of contracts after award because contractor had cashflow problems or under-pricing of the tender 3. Funding problems due to budget cuts and delays in confirmation of funds by Client Departments. 4. Projects experiencing significant

Programme 8: Construction Project Management **Purpose: To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction**								
Sub-Programme: Construction project planning and management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								delays due to contractors having financial issues. 5. Cancellation of projects by Client Departments. 6. Change of scope by Client Department. 7. Projects recalled to Head Office and handed over to FM Branch for

Programme 8: Construction Project Management Purpose: To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction								
Sub-Programme: Construction project planning and management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								implementation. 8. Application of funds not approved by client, Defence 9. Project on hold. The client uncertain of the need for the project
	Completed projects spend	Number of infrastructure projects completed within approved budget	95	82	124	77 Cumulatively	47	1. Delays in completion of projects on time resulting in contractors being charged penalties.

Programme 8: Construction Project Management Purpose: To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction								
Sub-Programme: Construction project planning and management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								2. Cancellation of contracts after award because contractor had cashflow problems or under-pricing of the tender 3. Funding problems due to budget cuts and delays in confirmation of funds by Client Departments. 4. Projects experiencing

Programme 8: Construction Project Management **Purpose: To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction**								
Sub-Programme: Construction project planning and management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								significant delays due to contractors having financial issues. 5. Cancellation of projects by Client Departments. 6. Change of scope by Client Department. 7. Projects recalled to Head Office and handed over to FM

Programme 8: Construction Project Management Purpose: To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction								
Sub-Programme: Construction project planning and management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								Branch for implementation 8. Application of funds not approved by client, Defence 9. Project on hold. The client uncertain of the need for the project
		Number of infrastructure project sites handed	65	93	179	43	-136	1. Supply chain challenges (non-responsiveness,

Programme 8: Construction Project Management								
Purpose: To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction								
Sub-Programme: Construction project planning and management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
		over for construction						revaluations, awards being put on hold 2. Funding problems due to budget cuts for Client Departments. 3. Delays because of capacity problems at the Engineering Services 4. Cancellation of projects by Client Departments

Programme 8: Construction Project Management **Purpose: To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction**								
Sub-Programme: Construction project planning and management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								5. Site clearance not issued 6. Co-funding model not yet approved by Client. 7. Delays of appointments of engineers. 8.Detailed design concluded in March 2025
Sustainable Infrastructure Investme	Completed projects	Number of infrastructure projects completed	95	89	124	77 Cumulatively	-47	1. Delays in completion of projects on time resulting in contractors

Programme 8: Construction Project Management **Purpose: To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction**								
Sub-Programme: Construction project planning and management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								being charged penalties. 2. Cancellation of contracts after award because the contractor had cashflow problems or underpricing of the tender 3. Funding problems due to budget cuts and delays in confirmation of funds by Client Departments. 4. Projects

Programme 8: Construction Project Management Purpose: To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction								
Sub-Programme: Construction project planning and management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								experiencing significant delays due to contractors having financial issues. 5. Cancellation of projects by Client Departments. 6. Change of scope by Client Department 7. Projects were recalled to Head Office and handed

Programme 8: Construction Project Management

Purpose: To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction

Sub-Programme: Construction project planning and management

Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								over to FM Branch for implementation. 8. Application of funds not approved by client, Defence 9. Project on hold. The client uncertain of the need for the project
Sustainable Infrastructure Investm	Projects implemented using Turnkey Strategy	Number of projects implemented using	New indicator	New indicator	70	0	-70	1. Delays caused by completion of the SLA and

Programme 8: Construction Project Management **Purpose: To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction**								
Sub-Programme: Construction project planning and management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
		Turnkey Strategy						the issuing of the PI 2. Delays in fund confirmation 3. Delayed procurement process by Implementing Agents. 4. Funding not allocated for contractors
PROGRAMME MANAGEMENT (PMO)								
Unleashing infrastructure develop	Construction of Welisizwe rural bridges	Number of bridges constructed	New indicator	New indicator	96	48	-48	Bridge material delays caused a delay in starting a new

Programme 8: Construction Project Management **Purpose: To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction**								
Sub-Programme: Construction project planning and management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								contract in the middle of the year. Limited capacity to certify and sign off completed work on time.
	Infrastructure projects approved for implementation using BOT/ROT (private investment)	Number of projects approved for BOT	New indicator	New indicator	5	11	+6	More properties were identified by the department through the Strategic Asset Optimisation

Programme 8: Construction Project Management Purpose: To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction								
Sub-Programme: Construction project planning and management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								Programme (SAOP) Steering Committee
		Number of projects approved for ROT	New indicator	New indicator	5	12	+7	More properties were identified by the department through the Strategic Asset Optimisation Programme (SAOP) Steering Committee
	Reviving the oceans	Number of spatial and	New indicator	New indicator	3 Spatial and	3 Spatial and Economic	-	-

Programme 8: Construction Project Management **Purpose: To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction**								
Sub-Programme: Construction project planning and management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
	economy and small harbour development	economic development frameworks (SEDFs) completed and preliminary designs for new small harbours			Economic Development Framework (SEDFs) completed for new small harbours	Development Framework (SEDFs) completed for new small harbours		
Unleashing infrastructure development and maintenance	Operationalisation of 3 small harbours	Number of Harbour development plans developed	New indicator	New indicator	3 Harbour development plans developed.	0	3	The delay was due to a strategy change to include asset optimization with the help of

Programme 8: Construction Project Management Purpose: To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction								
Sub-Programme: Construction project planning and management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								transactional advisors. Terms of reference had to be revised to ensure a thorough methodology.

Table 2.9 A: Originally Tabled APP: Real Estate Management Services

Programme 9: Real Estate Management Services Purpose: To timeously provide and manage suitable accommodation in support of user needs to meet the service delivery needs									
Sub-Programme: management of freehold, and land administration and management									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reason revision
Productive Assets	Rand value revenue generated	Percentage increase in projected revenue generation through letting of state-owned properties, for leases signed within the reporting period	8%	501%	20%	12,64	-7'26	Change in letting process	The indicator was revised from increased to change to ensure measurability

Programme 9: Real Estate Management Services Purpose: To timeously provide and manage suitable accommodation in support of user needs to meet the service delivery needs									
Sub-Programme: management of freehold, and land administration and management									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reason revision
Productive Assets	Rand value revenue generated	OBB programme inclusive of number of state properties regularized/rectified/recovered	New indicator	New indicator	200	0	200	Delays in evaluation process	The indicator was revised to ensure measurability
Transformed built environment	Number of unutilized vacant state-owned properties let out	Number of utilized and unutilized vacant state-owned properties let out	35	118	150	22	128	Change in letting process	The indicator was revised for measurability

Programme 9: Real Estate Management Services Purpose: To timeously provide and manage suitable accommodation in support of user needs to meet the service delivery needs									
Sub-Programme: management of freehold, and land administration and management									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reason revision
	Empowered designated groups (women, youth, People with disabilities)	Percentage leases let out to companies with BBBEE of level 4 and above	54%	36&	10%	23%	13%	More leases awarded to BBBEE compliant companies	The indicator was revised to ensure specific levels of BBBEE companies targeted

Programme 9: Real Estate Management Services Purpose: To timeously provide and manage suitable accommodation in support of user needs to meet the service delivery needs									
Sub-Programme: management of freehold, and land administration and management									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reason revision
Dignified client experience	Customer-centric organisation	Percentage of new private leases signed with a maintenance plan	100%	100%	100%	100%	-	-	Indicator was removed because maintenance plans are included in all new private leases

Programme 9: Real Estate Management Services Purpose: To timeously provide and manage suitable accommodation in support of user needs to meet the service delivery needs									
Sub-Programme: management of freehold, and land administration and management									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reason revision
Integrated planning and coordination	Ha released from DPWI portfolio for infrastructure development programs	Ha released from DPWI portfolio for development of infrastructure programs and socio-economic objectives	120 997'71	109,6648	12959	48,3058	12 910,6942	The process of land approval took long to finalise and the outstanding land parcels will be finalised in the following financial year.	Indicator was revised and the following "for development of infrastructure programs and socio-economic objectives" (to be reflected in the TID)

Table 2.9 B: Re-Tabled APP: Real Estate Management Services (Final)

Programme 9: Real Estate Management Services **Purpose: To timeously provide and manage suitable accommodation in support of user needs to meet the service delivery needs**								
Sub-Programme: management of freehold, and land administration and management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
Productive Assets	Lease portfolio size	Number of private leases reduced within the private portfolio	3	0	6	2	-4	The lease for STATS SA in Picketberg was cancelled due to them having no budget to continue with and rezoning of the identified house into office was not approved.

Programme 9: Real Estate Management Services Purpose: To timeously provide and manage suitable accommodation in support of user needs to meet the service delivery needs								
Sub-Programme: management of freehold, and land administration and management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								* In Bloemfontein, only a few of Protection Security Services members were moved into Regional Office space (state owned). * There is no appropriate state-owned property currently available in this portfolio

Programme 9: Real Estate Management Services Purpose: To timeously provide and manage suitable accommodation in support of user needs to meet the service delivery needs								
Sub-Programme: management of freehold, and land administration and management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								distributed amongst other regional offices
	Rand value savings on identified portfolio of assets	Savings realised on identified private leases	R100 Million	R725 231 906.42	R200 million	R205.6	+R5 million	Achieved high savings from one lease renewal of over R117million
	Rand value revenue generated	Percentage change in projected revenue generation through letting of state-owned	8%	501%	20% (Baseline is R92 232 745.28 +20% =	12,64% (R3 020 346.61(Q1) + 10 969 272.58 (Q2) +0 (Q3)	-4.64%	Change in letting out process

Programme 9: Real Estate Management Services **Purpose: To timeously provide and manage suitable accommodation in support of user needs to meet the service delivery needs**								
Sub-Programme: management of freehold, and land administration and management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
		properties, for leases signed within the reporting period.			R110 679 294.33)	+0(Q4) / R110 678854.68		
	state properties regularised/ rectified/recovered	Number of state properties regularized/ rectified/recovered (OBB programme).	134	118	200	22	-178	Change in letting out process
Build Transformed Environment	State-owned properties let out	Number of State-owned properties let out	134	118	150	22	-128	Change in letting out process
	Unutilized state-owned properties made available for	Number of unutilized state-owned properties made available for	10	13	5	0	-5	Change in letting out process

Programme 9: Real Estate Management Services **Purpose: To timeously provide and manage suitable accommodation in support of user needs to meet the service delivery needs**								
Sub-Programme: management of freehold, and land administration and management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
	GBV-F purposes	GBV-F purposes						
	Leases awarded to categories o A, B and D companies of the approved Property Management Empowerment Policy	Percentage of leases awarded to categories o A, B and D companies of the approved Property Management Empowerment Policy	55%	84%	60%	78% (7/9)	+18%	Specification Committees targeting BBBEE companies as per Property Management Empowerment Policy
Dignified client experience	leases let out to companies with BBBEE of level 1- 4	Percentage of leases let out to companies with	10%	36%	10%	23% (5/22)	+13%	processing of the leasing application backlog and

Programme 9: Real Estate Management Services **Purpose: To timeously provide and manage suitable accommodation in support of user needs to meet the service delivery needs**								
Sub-Programme: management of freehold, and land administration and management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
		BBBEE of level 1- 4						the implementation of the property management empowerment policy during Q1 and Q2
Integrated planning and coordination	Ha of land from DPWI portfolio released	Ha of land released from DPWI portfolio	10 126 ha	109,6648ha	12 959	48,3058	12 910,6942	The process of land approval takes too long to finalise and the outstanding land parcels will be finalised in

Programme 9: Real Estate Management Services **Purpose: To timeously provide and manage suitable accommodation in support of user needs to meet the service delivery needs**								
Sub-Programme: management of freehold, and land administration and management								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
								the following financial year.

Table 2.10 A: Originally Tabled APP: Real Estate Information and Registry Services

Programme 10: Real Estate Information and Registry Services **Purpose: To develop and maintain Immovable Asset Register (IAR) which support DPWI/PMTE business requirements and to provide oversight, regulation and monitoring of the IAR fr the state**									
Sub-Programme: Asset Registry Services and Conveyancing									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reasons for revision
Productive Assets	National and Provincial Immovable Asset Registers assessed for compliance	Number of National and Provincial Immovable Asset Registers assessed for compliance	9	12	12	12 National and Provincial Immovable Asset Registers assessed for compliance	-	N/A	Outputs revised to align with the indicators
	Immovable assets physically verified to validate	Number of immovable assets physically	21 587	19 762	21 916	19 497 Immovable assets physically verified to	-2 419	Human Resource constraints (Certain contracts	Outputs revised to align with the indicators

Programme 10: Real Estate Information and Registry Services **Purpose: To develop and maintain Immovable Asset Register (IAR) which support DPWI/PMTE business requirements and to provide oversight, regulation and monitoring of the IAR fr the state**									
Sub-Programme: Asset Registry Services and Conveyancing									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reasons for revision
	existence and assess conditions	verified to validate existence and assess conditions				validate existence		expired in (November 2024, which has impacted the physical verification of immovable assets, as REIRS was continuing with limited resources to conduct necessary verifications.	

Programme 10: Real Estate Information and Registry Services Purpose: To develop and maintain Immovable Asset Register (IAR) which support DPWI/PMTE business requirements and to provide oversight, regulation and monitoring of the IAR fr the state									
Sub-Programme: Asset Registry Services and Conveyancing									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reasons for revision
								Additionally, the requirement by the Logistics Management Unit to return vehicles daily before 4 PM has further hindered the team's ability to complete physical verifications within the	

Programme 10: Real Estate Information and Registry Services Purpose: To develop and maintain Immovable Asset Register (IAR) which support DPWI/PMTE business requirements and to provide oversight, regulation and monitoring of the IAR fr the state									
Sub-Programme: Asset Registry Services and Conveyancing									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reasons for revision
								planned timelines. This limitation particularly affected sites located at greater distances.	
Productive Assets	Registered immovable assets aligned to municipal valuations	Number of registered immovable assets aligned to municipal valuations	New indicator	New indicator	10 000	9 221 Immovable assets aligned to municipal valuations.	-779	The Division focused only on eThekwini municipality which had 1 356 immovable	Outputs revised to align with the indicators

Programme 10: Real Estate Information and Registry Services									
Purpose: To develop and maintain Immovable Asset Register (IAR) which support DPWI/PMTE business requirements and to provide oversight, regulation and monitoring of the IAR fr the state									
Sub-Programme: Asset Registry Services and Conveyancing									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reasons for revision
								assets with values on the valuation roll	

Table 2.10 B: Re- Tabled APP: Real Estate Information and Registry Services

Programme 10: Real Estate Information and Registry Services **Purpose: To develop and maintain Immovable Asset Register (IAR) which support DPWI/PMTE business requirements and to provide oversight, regulation and monitoring of the IAR fr the state**								
Sub-Programme: Asset Registry Services and Conveyancing								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
Integrated Planning and Coordination	Compliance verification	Number of National and Provincial Immovable Asset Registers assessed for compliance	9	12	12	12 National and Provincial Immovable Asset Registers assessed for compliance	-	-
Productive Assets	Compliance verification	Number of immovable assets physically verified to validate existence	21 587	19 762	21 916	19 497 Immovable assets physically verified to validate existence	-2 419	Human Resource constraints (Certain contracts expired in (November 2024, which

Programme 10: Real Estate Information and Registry Services								
Purpose: To develop and maintain Immovable Asset Register (IAR) which support DPWI/PMTE business requirements and to provide oversight, regulation and monitoring of the IAR fr the state								
Sub-Programme: Asset Registry Services and Conveyancing								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
		and assess conditions						has impacted the physical verification of immovable assets, as REIRS was verifications.
		Number of registered immovable assets aligned to municipal valuations	New indicator	New indicator	10 000	9 221 Immovable assets aligned to municipal valuations.	-779	The Division was unable to align 1356 immovable asset on the valuation rolls of selected municipalities due unavailability of municipal values

Table 2.11 A: Originally Tabled APP: Facilities Management

Programme 11: Facilities Management **Purpose: To ensure that immovable assets used by government departments and the public are optimally used and maintained in a safe, secure, healthy and economic environment whilst contributing to job creation, skills development and poverty alleviation**									
Sub-Programme: scheduled maintenance and unscheduled maintenance									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025 until date of re-tabling	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reason for revision
Productive Assets	Conditions of buildings and critical components	Number of Condition assessments conducted on identified/ prioritised properties	107	303	266	84	-182	The cost containment measures around travelling to perform condition assessment negatively affected achievement of set target	The indicator was rephrased to measure one variable (identified), to ensure measurability.

Programme 11: Facilities Management **Purpose: To ensure that immovable assets used by government departments and the public are optimally used and maintained in a safe, secure, healthy and economic environment whilst contributing to job creation, skills development and poverty alleviation**									
Sub-Programme: scheduled maintenance and unscheduled maintenance									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025 until date of re-tabling	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reason for revision
		Number of critical components assessed to determine the conditions of components (lifts, boilers, Heating, Ventilation and Airconditioning (HVAC) and Generator sets and	140	158	532	103	-429	The cost containment measures around travelling to perform condition assessment negatively affected achievement of set target	The indictor was rephrased to align with maintenance processes by specifying the facilities where assessments will be undertaken.

Programme 11: Facilities Management Purpose: To ensure that immovable assets used by government departments and the public are optimally used and maintained in a safe, secure, healthy and economic environment whilst contributing to job creation, skills development and poverty alleviation									
Sub-Programme: scheduled maintenance and unscheduled maintenance									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025 until date of re-tabling	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reason for revision
		Water systems)							
Dignified client experience	Maintained facilities	Number of preventative maintenance contracts to reduce reactive maintenance	163	385	220	466	+246	The majority of term contract funding comes from scheduled and unscheduled budget owing to the reduction in budget,	The indicator was cascaded to the operational plan.

Programme 11: Facilities Management **Purpose: To ensure that immovable assets used by government departments and the public are optimally used and maintained in a safe, secure, healthy and economic environment whilst contributing to job creation, skills development and poverty alleviation**									
Sub-Programme: scheduled maintenance and unscheduled maintenance									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025 until date of re-tabling	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reason for revision
								exacerbated by non-allocation for DOD and DCS, this impacted negatively on the budget	
Dignified client experience	Maintained facilities through efficient execution of day-to-day maintenance	Number of Total Facilities Management Contracts to reduce	-	-	8	2	-6	Expiry of the TFM Panel	Indicator was amended to measure implementation.

Programme 11: Facilities Management Purpose: To ensure that immovable assets used by government departments and the public are optimally used and maintained in a safe, secure, healthy and economic environment whilst contributing to job creation, skills development and poverty alleviation									
Sub-Programme: scheduled maintenance and unscheduled maintenance									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025 until date of re-tabling	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reason for revision
		reactive maintenance							
Dignified client experience		Number of government workshops operationalized utilising the in-sourcing model of services	New indicator	New indicator	4 (Pretoria, Cape Town Durban and Bloemfontein)	4	-	-	Removed due to budget constraints.
	Capacity building in all built environment disciplines to enhance	Number of graduates (from built environment) in-sourced within the	New indicator	New indicator	1000	0	-1000	Owing to budget constraints. The budget request to	Removed due to budget constraints.

Programme 11: Facilities Management Purpose: To ensure that immovable assets used by government departments and the public are optimally used and maintained in a safe, secure, healthy and economic environment whilst contributing to job creation, skills development and poverty alleviation									
Sub-Programme: scheduled maintenance and unscheduled maintenance									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025 until date of re-tabling	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reason for revision
	insourced services	Government Workshop Program						NT was not approved	
	Implementation of the integrated renewable energy and resource efficiency programme (iREREP)	Procure 3740 MW of renewable energy	New indicator	New indicator	Appointment of preferred bidder(s) for the implementation of the iREREP phase 1 Bid window 1	No appointment of preferred bidder(s) for the implementation of the iREREP phase 1 Bid window 1	No deviation because the indicator was removed during re-tabling in Q2	-	The indicator was removed as it forms part of the SIPs and is reported in the SIPs report under Programme 4.
Productive assets	Policy on maintenance and	Policy developed and	New indicator	New indicator	100%	0	100%	-The FM Policy was developed and	Cascaded to the Operational Plans

Programme 11: Facilities Management Purpose: To ensure that immovable assets used by government departments and the public are optimally used and maintained in a safe, secure, healthy and economic environment whilst contributing to job creation, skills development and poverty alleviation									
Sub-Programme: scheduled maintenance and unscheduled maintenance									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025 until date of re-tabling	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reason for revision
	maintenance plan	Maintenance Plan						finalised. Submitted to the Accounting Officer for approval.	
	Number of buildings that comply with OHSA	Number of OHS compliance Inspection conducted on State owned and leased facilities	New indicator	New indicator	2676	184	No deviation because the indicator was removed during re-	-	Cascaded to the Operational Plan

Programme 11: Facilities Management **Purpose: To ensure that immovable assets used by government departments and the public are optimally used and maintained in a safe, secure, healthy and economic environment whilst contributing to job creation, skills development and poverty alleviation**									
Sub-Programme: scheduled maintenance and unscheduled maintenance									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025 until date of re-tabling	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation	Reason for revision
							tabling in Q2		

Table 2.11 B: Re-Tabled APP: Facilities Management

Programme: Facilities Management **Purpose: To ensure that immovable assets used by government departments and the public are optimally used and maintained in a safe, secure , healthy and economic environment whilst contributing to job creation, skills development and poverty alleviation**								
Sub-Programme: scheduled maintenance and unscheduled maintenance								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
Productive Assets	Conditions of buildings and critical components	Number of condition assessments conducted on identified properties.	107	303	266	84	-182	The contracts of young professionals expired in Q2, but renewing them was unsuccessful due to the HCI policy against re-appointing the same professionals.
		Number of critical components assessed at	140	158	532	103	-429	The contracts of young professionals expired in Q2, but renewing

Programme: Facilities Management **Purpose: To ensure that immovable assets used by government departments and the public are optimally used and maintained in a safe, secure , healthy and economic environment whilst contributing to job creation, skills development and poverty alleviation**								
Sub-Programme: scheduled maintenance and unscheduled maintenance								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
		identified facilities						them was unsuccessful due to the HCI policy against re-appointing the same professionals.
Dignified clients experience	Term contracts implemented	Number of Term contracts implemented	163	385	220	466	+246	In order to improve the effectiveness and efficiency of maintenance a circular was issued as a result, the no. of term contract increased

Programme: Facilities Management								
Purpose: To ensure that immovable assets used by government departments and the public are optimally used and maintained in a safe, secure , healthy and economic environment whilst contributing to job creation, skills development and poverty alleviation								
Sub-Programme: scheduled maintenance and unscheduled maintenance								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from Planned Target to Actual Achievement 2024/2025	Reasons for Deviation
	Facilities Maintained through the Total Facilities Management Contract.	Number of Facilities maintained through the Total Facilities Management Contract.	New indicator	New indicator	8	2	-6	The TFM panel expired in Q2, which affected the annual performance. The process to implement new TFM panel in progress. Alternative TFM implementation through implementing agent was going into open market.

2.5. Strategy to overcome areas of underperformance

- **Infrastructure Delivery and Constructions**

  The Department is committed to enhancing infrastructure delivery and completing construction projects on schedule in time within the agreed budget. Despite experiencing challenges relating to construction delays due to various factors such as community disruptions on construction sites, delayed budget allocation from the clients' departments, under-performance and financial constraints by contractors, efforts are in place to address these challenges and improve delivery of projects within the set timelines.

- **Human resources capacity and professionalising the Department**

  The Department has completed the Skills Audit through the HSRC and continues with intensive recruitment drive to ensure that it has the required skills and competencies, whilst continuing improvement to deliver on its mandate and objectives. The focus will be on searching for the technical skills required and filling of critical vacant posts and the skills gaps identified. Strive to achieve the equity targets on the SMS echelons with 50% of women representation and 3% of People with Disabilities in the department, and for this reason, the department has decided to reserve some positions for this purpose. The Department has also embarked on the skills development pipeline drive within the built environment.

- **Information and Communication Technology**

  The Information Technology (IT) is geared towards playing a significant role in improving capability of the Department to be resilient and responsive to any form of disaster. The programme will ensure the availability and continuity of IT services at a time of need. The ICT function will continue to optimise internal controls around governance, risk, security, networks and system management and reduce exposure to cybersecurity threats

2.6. linking performance with budget

Expenditure Analysis per Programme

2.6.1. Department's Mian Vote

- **Overview of Financial Results**

- **Departmental revenue management**

The table below depicts a comparison of the Departmental revenue receipts against estimates and compared to the prior year's performance.

Table 1.1: Programme Receipts

Departmental receipts	2024/25			2023/24		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	338	341	(3)	307	322	(15)
Forfeits	-	74	(74)	-	51	(51)
Interest	2 000	11 082	(9 082)	1 100	10 593	(9 493)
Financial transactions in assets and liabilities	1 400	5 741	(4 341)	409	21 204	(20 795)
Total Departmental receipts	**3 738**	**17 238**	**(13 500)**	**1 816**	**32 170**	**(30 354)**

The Department received R17.2 million in revenue, for the 2024/25 financial year. This was R13.5 million more than the projected revenue, and R15 million less to the previous financial year. The bulk of the revenue received relates to the interest and financial transactions in assets and liabilities.

- **Budget Allocation 2024/25**

The Department's final appropriation for the year under review was R7.612 billion, which is 10% less compared to the 2023/24 financial year's final appropriation of R8.406 billion.

As depicted in Table 1.2, the bulk of the appropriated funds (approximately 91%) are allocated between the Expanded Public Works Programme (29%), Property, Construction Industry Policy, and Research (62%). These two programmes represent the major proportion of the Department's mandate and deliverables. Transfers and subsidies account for 85% of the allocation for 2024/2025.

Table 1.2: Budget Allocation per Programme	**Allocation R`000**	**Allocation as %**
Programme 1: Administration	541 264	7%
Programme 2: Intergovernmental Coordination	56 001	1%
Programme 3: Expanded Public Works Programme	2 204 794	29%
Programme 4: Property and Construction Industry Policy and Research	4 720 343	62%
Programme 5: Prestige Policy	89 679	1%
Total	**7 612 081**	**100%**

-

- **Expenditure Analysis**

A summary of the Department's financial performance is provided in Tables 1.3, 1.4 and 1.5 below, which show the overall budget and expenditure as well as spending per economic classification.

TABLE 1.3: Expenditure Analysis

	2024/25 R'000	**2023/24 R'000**
Budget allocation	7 612 081	8 405 966
Actual Expenditure	7 570 409	8 304 039
Actual: Spent Budget %	**99.5%**	**98.8%**
Unspent funds	41 672	101 927
Actual: Unspent Budget %	**0.5%**	**1.2%**

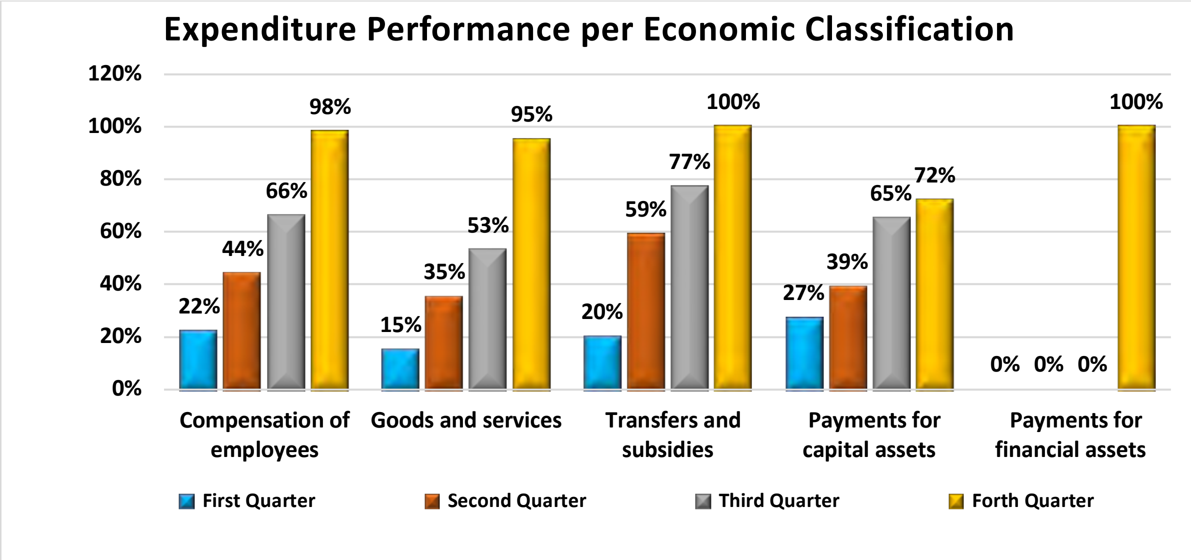
TABLE 1.4: Expenditure Analysis per Programme

	2024/25				2023/24		
	Final Appropriation	Actual Expenditure	Variance	Expenditure as %	Final Appropriation	Actual Expenditure	Expenditure as %
	R'000	R'000	R'000	%	R'000	R'000	%
Administration	541 264	535 062	6 202	98,9%	590 232	581 309	98.5%
Intergovernmental Coordination	56 001	49 278	6 723	88,0%	55 817	48 322	86.6%
Expanded Public Works Programme	2 204 794	2 204 626	168	100,0%	2 954 207	2 943 671	99.6%
Property And Construction Industry Policy and Research	4 720 343	4 694 895	25 448	99,5%	4 740 529	4 667 500	98.5%
Prestige Policy	89 679	86 548	3 131	96,5%	65 181	63 237	97.0%
Totals	**7 612 081**	**7 570 409**	**41 672**	**99.5%**	**8 405 966**	**8 304 039**	**98.8%**

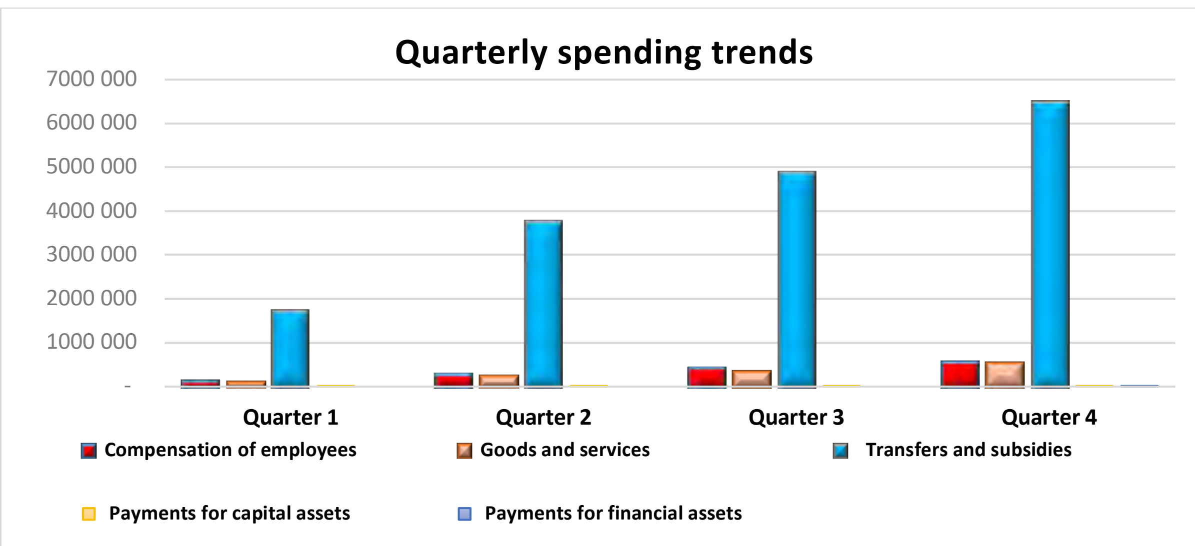
TABLE 1.5: Spending Per Economic Classification – DPWI

	2024/25				2023/24		
	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000	Expenditure as % of final appropriation %
Current payments							
Compensation of employees	555 760	546 324	9 436	98,3%	556 516	524 617	94.3%
Goods and services	567 933	539 738	28 195	95,0%	568 700	502 664	88.2%
Transfers & subsidies							
Provinces & municipalities	1 177 458	1 177 456	2	100.0%	1 548 500	1 548 498	100.0%
Departmental agencies & accounts	4 457 819	4 457 819	-	100.0%	4 452 608	4 452 608	100.0%
Foreign governments & international organisations	36 413	36 413	-	100.0%	34 202	34 202	100.0%
Public corporations & private enterprises	102 835	102 835	-	100.0%	164 841	164 841	100.0%
Non-profit institutions	689 582	689 582	-	100.0%	1 052 431	1 052 431	100.0%
Households	9 030	9 030	-	100.0%	10 010	10 010	100.0%
Payment for capital assets							
Machinery & equipment	14 604	10 565	4 039	72,3%	18 007	14 017	77.8%
Payment for financial assets	647	647	-	100.0%	151	151	100.0%
Total	**7 612 081**	**7 570 409**	**41 672**	**99.5%**	**8 405 966**	**8 304 039**	**98.8%**

Departmental spending for the period under review is R7.570 billion, which represents 99% of the adjusted budget of R7.612 billion. Underspending of R42 million mainly relates to compensation of employees and goods and services.



Spending Trends:



The quarterly expenditure variances for the Department are an average of R1.893 billion with the high spending of R2.293 billion, and the lowest been R1.357 billion in the second and third quarter respectively. High spending for the Department relates to the transfer payments to the PMTE, Provinces and Municipalities for EPWP conditional grants, Non-state Sector programme and other departmental entities. Transfers and subsidies equate to 85% of the Departmental budget allocation, and the balance is allocated to current payments for compensation of employees and goods and services

Details of underspending per programme and economic classification is discussed below:

- **Programme 1: Administration**

The underspent amount of R6 million in Programme 1 relates to:

- Compensation of employees underspent of R6 million is due to delays in the filling of vacant positions and those that became vacant during the financial year

- **Programme 2: Intergovernmental Coordination**

The underspent amount of R7 million in Programme 2 relates to:

- Compensation of employees underspent of R3 million is due to delays in the filling of vacant positions and those that became vacant during the financial year.
- Goods and services underspent of R4 million is due to delays in coordination of planned activities for the Professional Services.

- **Programme 3: Expanded Public Works Programme**

The Programme spent 100% of the allocated budget.

- **Programme 4: Property and Construction Industry Policy and Research**

The underspent amount of R25 million in Programme 4 relates to:

- Goods and services underspent of R25 million is due to delays in spending relating to Infrastructure South Africa for the implementation of the project preparation.

- **Programme 5: Prestige Policy**

The underspent amount of R3 million in Programme 5 relates to:

- Machinery and equipment underspent of R3 million is due to delays in the delivery of procured assets.

2.7. Transfer Payment

The Department has four Public Entities that are reporting to the Minister, namely the Construction Industry Development Board (the CIDB), the Council for the Built Environment (the CBE), the Industrial Development Trust (the IDT) and Agrèment South Africa. For the period under review, only three entities i.e. the CIDB, the CBE and Agrèment South Africa have received the transfer payment for implementing the mandate of the Department. The Independent Development Trust did not receive a transfer payment, because it is a schedule 2 entity, which means that they are to generate their own funds, The Department could not source funds from its baseline to assist IDT. All funds from all the departmental programmes were committed and there was no projected surplus.

Agrément South Africa (ASA)

Entity	Key Outputs	Amount Transferred for 2024 /25 R '000	Amount Spent	Entity's Achievement
Agrément South Africa	1. Analysis of the usage of Agrément certified products and systems 2. Promotion of the introduction and use of non-standardised construction-related products or systems. 3. Customer satisfaction survey. 4. Quality Assurance on all certificates in use. 5. To ensure effective implementation of corporate governance across the board. 6. To monitor Compliance with the prescript of the supply chain	R 31 902	**R 45 046 633**	During the 2024/25 financial year, ASA registered **81%** performance achievement, with **22** targets achieved against **27** planned. The following performance highlights were realised: • A total of four (4) market and usage analysis reports were produced. • Two (2) MoUs were concluded with Eastern Cape Department of Human Settlements and South African Police Services to promote the use and introduction of non-standardised construction-related products and systems. • Hundred percent (100%) of quality and compliance inspections were conducted for a total 60 valid certificates. • 51% of validity reviews were conducted, which constituted 61/135 valid certificates. • To monitor compliance with the prescript of the supply chain to ensure approved invoices are paid within 30 days (a total of 758 valid invoices amounting to R17 million were paid within 30 days.) • 125% Expenditure incurred (R45m spent against R35,8m of the approved budget) • 94% (16/17) external audit findings were resolved, and 88% (72/81) of internal audit findings were resolved. • 93% (A total of R15,4m spent against R16,6m procurement budget) spent on B-BBEE compliant suppliers. • There were no instances of irregular expenditure, wasteful and fruitless expenditure incurred. • Four (4) trainings were provided to SMMEs.

Entity	Key Outputs	Amount Transferred for 2024 /25 R '000	Amount Spent	Entity's Achievement
	to ensure approved invoices are paid within 30 days. 7. To monitor compliance with the prescripts of supply chain to ensure zero irregular expenditure incurred of the approved budget. 8. To monitor compliance with the prescript of the supply chain to ensure zero percent of fruitless and wasteful incurred of the approved budget. 9. Develop small, medium and micro enterprises (SMME). 10. Empowered human capital. 11. Host stakeholder			• 55% (R9,2m) of ASA Procurement spending was directed to the designated groups (Youth: (13% (R2,2m) and Women: 41% (R6,9m)) • ASA implemented 83% (10/12) of the approved annual training plan. • The ASA vacancy rate was recorded at 3% (1/33). • Annual Training Report and Workplace Skills Plan and Employment Equity Report were submitted as per compliance requirements. • One (1) Stakeholder Engagement Forum was conducted. • Twelve (12) advertisement were placed on various digital platforms and eight (8) exhibitions were attended to enhance ASA visibility. • ICT Governance Framework was compiled and approved.

Entity	Key Outputs	Amount Transferred for 2024 /25 R '000	Amount Spent	Entity's Achievement
	engagement forum 12. Enhance ASA visibility ICT Governance Framework compiled and approved			

Construction Industry Development Board (CIDB)

Entity	Key Outputs	Amount Transferred for 2024 /25 R '000	Amount Spent R'000	Entity's Achievement
Construction Industry Development Board	Audit findings resolution	R 75 183	R75 183	83% of audit issues from previous audit were resolved
	Age analysis report on payment of suppliers			100% of valid invoices paid were within 30 days
	System uptime report			98,15% of operational hours at the CIDB where ICT system is online and functioning
	Construction industry research reports			2 research studies conducted and produced
	Compliance monitoring and enforcement on CIDB prescripts			99.47% of contravention notices against detected non-compliance on CIDB prescripts were issued within 30 days
	Compliance monitoring and			99.96% of grades 1 to 9 contractors were registered within 21 working days for compliant applications

Entity	Key Outputs	Amount Transferred for 2024 /25 R '000	Amount Spent R'000	Entity's Achievement
	improvement on RoC registrations			
	Industry monitoring reports			5 industry monitoring reports were produced (on industry performance and transformation)
	Construction industry development			4 construction industry transformation procurement guidelines developed 2 construction industry development guidelines developed 46.61 expenditure of B.U.I.L.D funds dedicated to development
	Industry transformative leadership			4 construction industry development interventions implementation reports produced
	Industry development leadership			4 transformation intervention implementation reports produced 169 client departments were capacitated on Infrastructure Delivery Management System

Council for the Built Environment

Council for the Built Environment	Key Outputs	Amount Transferred for 2024 /25 R '000	Amount Spent	Entity's Achievement
	Provision of advisory services to Government on any matter falling within the scope of the built environment, including	R 55 505	R57 705* *Surplus funds amounting to R1 995 approved	The overall performance of the CBE against its annual targets for the202 4/25 financial year

Council for the Built Environment	Key Outputs	Amount Transferred for 2024 /25 R '000	Amount Spent	Entity's Achievement
	resource utilisation, socio-economic development, public health and safety and the environment, and such services are derived mainly through research work. • Facilitate inter-governmental cooperation concerning issues relating to the built environment. • Successfully act as an appeals body on matters referred to CBE in terms of the law regulating the Built Environment Professions. •Promote ongoing human resource development in the built environment; through professionalisation of the built environment sector and monitoring the implementation of its Structured Candidacy Framework.		by National Treasury to be utilised during the current year on multiyear ICT Contract	was 100% achieved (translated as 18/18 targets). a. The CBE's profile reach increased by 6 349 by 31 March 2025, which translates to 59% increase. The annual target was over-achieved by 39% b. Thirteen Built Environment career development initiatives were conducted for school learners by 31 March 2025. Through Take-a- Girl-Child-to-Work, career expos, virtual and direct engagements reach: • Nine provinces (5 Metropolitan and 9 District Municipalities) • 4 823 learners (2767 female and 2056 male) • Demographic representation - 57% female representation, 95% African and 1.2% Persons with Disabilities c. Four protocols, developed through consultations with key stakeholders, were approved by the CBE Council: • Nominating Bodies • Guideline Professional Fees • Emergency Incident Response

Council for the Built Environment	Key Outputs	Amount Transferred for 2024 /25 R '000	Amount Spent	Entity's Achievement
				• Identification of Work d. Eleven District Municipalities were supported towards professionalisation of their employees with the Evaluation, Analysis and Verification and Route to Professional Registration Workshops, reaching a total of 236 candidates, with 56% male representation and 44% female representation e. The Built Environment National Logbook (BENL) had a total of 888 registrations, consisting of 413 students, 188 graduates, 108 candidates, 147 professionals and 32 artisans f. Two research reports on CBE Research Agenda were developed on: • Access to funding programmes for women-owned enterprises in the Built Environment • Sustainable building in the South African Built Environment g. Three advisory notes on Health and Safety compliance in the Built Environment and Construction Safety in South Africa was developed and submitted to the

Council for the Built Environment	Key Outputs	Amount Transferred for 2024 /25 R '000	Amount Spent	Entity's Achievement
				Minister of Public Works and Infrastructure (the Minister) h. Hundred percent of lodged appeals were finalised within 60 days from the date of the lodgment. Eight appeals lodged against SACAP, ECSA and SACPCMP required a decision during the financial year, all were decided within the statutory 60 days from the date of lodgment: • Seven of the appeals were dismissed and one was upheld i. Hundred percent of lodged complaints were finalised within 90 days from the date of lodgment: • Four complaints finalised lodged against SACPVP, SACAP and SACPCMP

Independent Development Trust

The IDT entity did not receive allocation from the Department for the 2024/25 financial year, however for the purpose of accountability, the entity has achieved the following key performance outputs.

Entity	Key Outputs	Entity's Achievement
Independent Development Trust	Infrastructure projects completed	• A total of 315 projects were completed during the period under review against a target of 248 projects which equates to 127% performance level. Of these projects

Entity	Key Outputs	Entity's Achievement
		47% (149) were completed on time against an annual target of 60%. This represents a 78% performance level
	Contract Awarded to designated groups	• The entity awarded R4.383 billion worth of infrastructure project contracts during the period under review. R 4.245 billion[2] of the total programme contract awarded were allocated to the designated groups[3]. This represents a 97% allocation to designated groups against the 40% target which equates to a 142% performance level above the target. • Of the R 4.245 billion of the total programme contracts awards allocated to the designated groups, 35% (R1.472bn) was allocated to women-owned entities, and 22% (R938.390 million) was allocated to youth-owned entities. R198 657 was allocated to people with disability.
	Programme Expenditure	• The entity achieved a total programme expenditure of R 3.758 billion of which 93% (R 3.502bn) was on designated groups. Of the R3.502 expenditure on designated groups, 27% (R945.688 million) was spent on women-owned entities, 25% (R 879.039 million) was spent on youth-owned entities and 2% (R64.645 million) of expenditure was on people with disability.
	Contracts awarded to Participants in the	• The entity awarded eighty-seven (87) contracts to designated groups participating in

2 This figure is a weighted rand value in terms of designated groups shareholding in the entity awarded a contract

3 Designated group refers to Black People as defined in the Broad-Based Black Economic Empowerment Act, 2003; Youth as defined in the National Youth Commission Act of 1996; Women, and People with Disabilities

Entity	Key Outputs	Entity's Achievement
	Contractor Development Programme	the CDP through an SCM process. Out of the eighty-seven (87) contracts, 39% (34 contracts) were awarded to women-owned entities against a target of 40%. The entity also targeted to award 30% of all contracts awarded within the CDP to youth-owned entities. By the end of the period under review, the entity had awarded 40% (35 contracts) to youth-owned entities participating in the IDT CDP.
	Construction Work Opportunities created through the IDT Portfolio	• 3 561
	Work opportunities created through EPWP	• 56 091

2.8. EPWP Conditional Grants

EPWP Integrated Grant for Provinces

The EPWP Integrated Grant for Provinces was allocated R311.641 million. By 31 March 2025, R311.641 million had been transferred to eligible public bodies, which is 100% of the allocation. The Provincial Departments reported an expense of R291.208 million by 31st of March 2025, which represents 93% of the grant allocation. Table 1 below provides a detailed breakdown of the EPWP Integrated Grant for Provinces from 1 April 2024 to 31 March 2025.

Table 1: EPWP Integrated Grant for Provinces

EPWP Integrated Grant for Provinces (Public Works vote 11)	The grant has been transferred to provincial Departments Nationally
Purpose of the grant	To incentivize provincial departments to expand work creation efforts through the use of labour-intensive delivery methods in the following identified focus areas, in compliance with the Expanded Public Works Programme (EPWP) guidelines: • road maintenance including but not limited to block paving and pothole patching • maintenance of buildings

EPWP Integrated Grant for Provinces (Public Works vote 11)	The grant has been transferred to provincial Departments Nationally
	• low traffic volume roads and rural roads • other economic and social infrastructure • tourism and cultural industries • sustainable land-based livelihoods • waste management and cleaning services • Energy including but not limited to retrofitting, solar
Expected outputs of the grant	• Improved quality of life of poor people and increased social stability through engaging the previously unemployed in paid and productive activities • Reduced level of poverty • Contribute towards increased levels of employment • Improved opportunities for sustainable work through experience, learning gained and skills development
Actual outputs achieved	The total FTEs created is 16 359
Amount per amended DORA	R311.641 million
Amount transferred	R311.641 million
Reasons if amount as per DORA not transferred	N/A.
Amount spent by the Provincial Departments	R291.270 million
Reasons for the funds unspent by the entity	The delay in implementing grant-funded projects by departments has resulted in unspent funds.
Monitoring mechanism by the, transferring department	The EPWP Integrated Grant for Provinces is monitored through the In-Year Monitoring (IYM) reports submitted every month by Provincial Departments receiving the grant, Quarterly Evaluation reports, public body visits and reports on work opportunities, as extracted from the EPWP Reporting System.

EPWP Integrated Grant for Municipalities

The EPWP Integrated Grant for Municipalities had an allocation of R560.103 million. By the 31st of March 2025, a total of R560.103 million was transferred to eligible municipalities, and this is 100% of the allocation. The municipalities reported an expenditure in the amount of R492.222 million, which represents 88% of the allocation. The implementation of this grant is aligned to the municipal financial year; therefore, municipalities incur expenditure up to the end of the municipal financial year, 30 June 2025.

Table 2: EPWP Integrated Grant for Municipalities

EPWP Integrated Grant for Municipalities (Public Works vote 11)	**The grant has been transferred to municipalities nationally**
Purpose of the grant	To incentivise municipalities to expand work creation efforts using labour-intensive delivery methods in the following identified focus areas, in compliance with the EPWP guidelines: • road maintenance including but not limited to block paving and pothole patching • maintenance of buildings • low traffic volume roads and rural roads • basic services infrastructure, including water and sanitation reticulation (excluding bulk infrastructure) • other economic and social infrastructure • tourism and cultural industries • waste management and cleaning services • parks and beautification • sustainable land-based livelihoods • social services programmes • energy, including but not limited to retrofitting, solar
Expected outputs of the grant	• Number of Full-Time Equivalents (FTEs) to be created through the grant • Number of people employed, trained and receiving income through the EPWP • Number of days worked per work opportunity created
Actual outputs achieved	The total FTEs created is 23,648
Amount per amended DORA	R 560.103 million
Amount transferred	R 560.103 million
Reasons if amount as per DORA not transferred	N/A
Amount spent by the Municipalities	R492.222 million
Reasons for the funds unspent by the entity	The implementation of the grant is aligned to the municipal financial year which ends on 30 June each year. The remaining balance will be spent in the fourth quarter of the municipal financial year.
Monitoring mechanism by the transferring Department	The EPWP Integrated Grant for Municipalities is monitored through the In-Year Monitoring reports submitted monthly by the Municipalities, Quarterly Performance reports, public body visits and reports on work opportunities EPWP reporting system.

Social Sector EPWP Incentive Grant for Provinces

The allocation for the Social Sector EPWP Incentive Grant was R305.704 million and 100% of the allocation had been transferred to eligible Provincial Departments by the end of the 2024/25 financial year. The total expenditure reported by provinces is R303.118 million which represents 99% of the allocation.

Table 3: Social Sector EPWP Incentive Grant for Provinces

Social Sector EPWP Incentive Grant for Provinces (Public Works vote 11)	**The grant has been transferred to provincial Departments Nationally**
Purpose of the grant	To incentivise provincial social sector departments, identified in the EPWP social sector plan, to increase work opportunities by focusing on the strengthening and expansion of social sector programmes including but not limited to the Community Safety programmes.
Expected outputs of the grant	• Number of Full-Time Equivalents (FTEs) funded through the grant • Number of people employed and receiving income through the EPWP grant • Average duration of person days for work opportunities created • Number of beneficiaries provided with social services
Actual outputs achieved	• 12,748 FTEs created • 16,056 people were employed • An average duration of 182 person days for work was achieved
Amount per amended DORA	R 305.704 million
Amount transferred	R 305.704 million
Reasons if the amount as per DORA not transferred	N/A
Amount spent by the Provincial Departments	R 303.118 million
Reasons for the funds unspent by the entity	Some Provincial Departments could not spend the full allocation due to the late start of some projects.
Monitoring mechanism by the transferring department	The Social Sector EPWP Incentive Grant for Provinces is monitored through the In-Year Monitoring (IYM) reports submitted monthly by the provincial Departments, quarterly performance reports and reports on work opportunities as extracted from the EPWP reporting system. The department also conducted public body visits as part of monitoring.

Challenges experienced in the 2024/25 financial year

- Delays in implementation of grant projects by public bodies that resulted in underspending of the grant allocation. The delays in the implementation of projects are normally due to internal challenges within public bodies.
- Delays in submission of reports and reporting of projects on the EPWP Reporting System
- Further alignment of projects to labour-intensive methods is required for there is an opportunity to create more work opportunities with existing budgets.
- Poor and under-reporting of work opportunities by public bodies.
- Constant amendments of the project list by public bodies.

Measures in place to address the challenges mentioned above:

- DPWI conducts workshops to provide an understanding of the EPWP Integrated Grant and compliance requirements to the Division of Revenue Act, 2024.
- DPWI provides technical support to public bodies to ensure better planning and implementation of projects.
- The provision of technical support, as well as the training of officials in terms of the application of labour-intensive techniques and the provision of guidelines, are measures aimed at addressing this challenge.
- Provision of support to public bodies to help with the reporting of projects.

CHAPTER 3
GOVERNANCE

3.1. Introduction

Governance in the Department is understood as an oversight management tool and the process of managing and mitigating departmental risks. This tool cuts across the entire organisation and into every aspect of the organisation. The substance of governance objectives is closely connected to the well-being of the organisation. The Department has structured its governing bodies in different ways, containing three key components that focus on the following tasks: providing strategic leadership, defining the business of the Department and analysing the technical environment within which the Department operates, policies and solutions. Some of the main features of governance practices in the Department are discussed below. This chapter focuses largely on Outcome 1: **Resilient, Ethical and Capable DPWI** to reinvent the Department to be Agile, Ethical, Compliant and Capable, where everyone wants to work, with improved efficiencies achieved through seamless automated processes and a robust support infrastructure to enable effective service delivery.

3.2. Risk Management

The Department has approved the Risk Management Policy, the Risk Management Strategy and an Implementation Plan. The Risk Management policy and strategy are reviewed every three years, and the plan is reviewed annually in line with changes in environment to reflect the current stance on the risk management. The Department has adopted an outcomes-based approach as a planning methodology prescribed by the DPME framework, which integrates the elements of risk identification during the planning stage. This was followed by the risk review process that was ignited by a two-day Strategic Risk Workshop with the Executive Management of the Department.

After the Strategic Risk Workshop, there were branch consultations, whereby DPWI branches were taken through an approach to incorporate the risk thresholds on their daily operations (Risk Tolerance and Limits) and consider the proposed Operational Risks driving the Strategic Risks. The risk assessments culminated into the development of the strategic and operational risk registers. Emerging risks were identified when monitoring is conducted on a quarterly basis and as and when there are any changes in the Department's operations and respective units are consulted for further engagements and to bring the emerging risks to the attention of the risk owners. The current risk registers are then updated with such emerging risks which are also monitored on a quarterly basis.

The Department has a functional Risk Management Committee (RMC) which convenes on quarterly basis as per the RMC Charter, and the committee is chaired by an independent Chairperson appointed by the Director General (DG). However, in the year under review the committee was chaired by the internal Chairperson while conducting the recruitment processes for the independent chairperson. Discussion and resolutions taken at RMC are escalated to the

EXCO meetings for further discussions and decision making and subsequently progress on risk management status is also tabled at the Audit Committee. Feedback from the Audit Committee is also reported back to the RMC to ensure that recommendations from the Audit Committee with regards to risk management are implemented.

There has been improvement in the risk management function within the department, as the risk maturity was rated at level 3, using the National Treasury Risk Maturity Assessment Tool. This level indicates that the Department risk management has matured and informs decision making. Although there is alignment between risk management and performance monitoring, gaps have been identified in the utilisation of risk management information to proactively determine early warnings. To address this, the Department has implemented metrics and Key Risk Indicators (KRIs) to strengthen the detection of early warning signs of potential non-performance. This approach ensures that emerging risks are identified and addressed timeously, thereby supporting the achievement of the Department's objectives. Another initiative was the implementation of the issue-based risk assessment which was also conducted to identify gaps and measures on compliance matters such as Occupational Health and Safety (OHS), Security Management and Information Communication and Technology.

12 Strategic Risks for the Seven Outcomes of the Department

The Department has identified 7 Outcomes that were monitored on a quarterly basis to ensure they are managed within the acceptable risk exposure.

OUTCOME	RISK	RISK MITIGATION
Outcome 1: A Resilient, Ethical and Capable DPWI	1.Cyber Security (Cyber-attack or data breach)	• Acquire digital Signature solution • Acquire Enterprise Security solution to address Cyber security • Awareness campaign, Cyber security assessments and vulnerability Management and Intrusion prevention. • Acquire additional IT specialised skilled resources • Alignment of the sector to device norms and standards to guide the Public Works Sector. (Workstream on Immovable assets and FM, responsible.
	2. External shocks/Natural hazards (Covid-19 / Pandemic / Fires)	• Business Continuity Plans • (Crisis Management Plan, Disaster Recovery Plan and Business Resumption Plans) • Raising awareness campaign, training of Health and Safety members (reps, Fire Fighters, First Aiders and Floor Marshalls • Conduct evacuation drills
	3. Fraud and corruption	• Implementation of Consequence management (disciplinary process is informed by investigation) • Awareness and training. • Issuing of Media Statements to set the record straight (communicating of facts) • Rollout the implementation of the lifestyle
Outcome 2: Integrated planning and Coordination	4.Perceived stakeholder interference/ interest and influence	• Conduct EPWP Learning Programmes. • Workshops on Labour intensity. • Framework submitted for approval. • Training sessions by EPWP M&E in reporting to public bodies. • Remote validations of compliance conducted. • Public body visits conducted. • National Coordination Committee meetings. • Finalisation and approval of Prestige guidelines. • Provide inputs on the draft regulations for infrastructure of different categories of funerals. • Implementation of the reviewed sector governance model

OUTCOME	RISK	RISK MITIGATION
Outcome 3: Sustainable Infrastructure Investment	5. Project Hijack	• Development of the standardised guidelines for the Project Steering Committee (PSC) • Subcontracting (mandatory to designated groups) after award of contract within the framework of the various types of contracts • Full Advocacy and Implementation of the BUILD Programme • Develop New Social Facilitation Methodologies to align with current Procurement Regulations.
	6. Low Investor Confidence	• Development of a Long-Term Infrastructure investment Plan • Finalisation and approval of Country investment strategy • Roll out 5 Case Model (5CM) and Project Delivery Route map (PDR). (Training interventions) (New mitigation) • Implementation of a digital platform (SOURCE) for wider monitoring of the pipeline and enhance the visibility of ISA. • Implementation of project preparation support
Outcome 4: Productive Assets	7. Infrastructure/Asset failures	• Integrated Asset and property management system (ERP) (ICT) • FM to provide PPM with Condition assessment reports for budgeting • Conducting of condition assessment. • Provision of training on building inspection.
	8. Possible Lockouts by Landlords	• Ongoing Stakeholder engagements with (landlords and DPWI and all other stakeholders)
Outcome 5: Transformed Built Environment	9. Possible Collusion and Fronting	• Structured training and development of registered built environment professionals. (Registration of candidates, skills development.) • Training and development of unemployed young people and existing employees within the built environment. • Collaboration with CETA's private sector government department and other funding institutions.
	10.Perceived stakeholder interference/interest and influence	• Determine policy position towards the development of Draft Public Works Bill.
Outcome 6: Optimised JobOpportunities	11. Demand risk for certain designated groups	• Public bodies provided with support on EPWP across all spheres of government. • Public bodies provided with programme coordination support on EPWP.

OUTCOME	RISK	RISK MITIGATION
Outcome 7: Dignified Client Experience	12. Reputational damage.	• Finalisation and approval of Prestige guidelines. • Provide inputs on the draft regulations for infrastructure of different categories of funerals. • finalisation of Communication Strategy and Social Media policy. • Collaborative meeting with internal stakeholders - REIS, CPM, Finance and SCM • Review of Maintenance guidelines, development of FM Policy and Strategy

3.3 Fraud and Corruption

3.3.1. The Department's Fraud Prevention Plan and How It has been implemented.

1.1. The Department of Public Works and Infrastructure herein referred to as "Department", has an approved Fraud Prevention Strategy. The Strategy outlines a high-level plan on how the Department will go about implementing its fraud prevention program. The strategy evolves as the Department makes changes and improvements in its drive to promote good governance, accountability and effectively fight fraud and corruption. The Strategy is reviewed periodically to enable the strategy to be effective in responding to nature of the prevailing challenges.

1.2. The Fraud Prevention Strategy does not guarantee that the Department will not be impacted by incidents of fraud and corruption but, is intended to serve as an additional measure to assist in the limitation of the impact of fraud and corruption risks, with a particular focus on creating awareness and promoting ethical business conduct.

1.3. The Department's Fraud Prevention Strategy is built around 6 Strategic Pillars namely: -

- 1.3.1. Promote citizen empowerment and sustainable partnerships between all stakeholders in building a values-based culture of integrity, transparency and accountability in all spheres of society.
- 1.3.2. Advance the professionalization and enhance the performance management of employees to optimise their contribution to create corrupt-free workplaces.
- 1.3.3. Enhance and capacitate governance, oversight and compliance functions and processes and enforce timeous consequence management for all acts of transgression.
- 1.3.4. Improve the integrity and credibility of the public procurement system and administrative processes to maximise the effective and efficient utilisation of resources for enhanced service delivery.
- 1.3.5. Strengthen the resourcing, coordination, performance and independence of dedicated anti-corruption agencies.
- 1.3.6. Protect vulnerable sectors that are most prone to corruption and unethical practices with effective risk management.

3.3.2. Mechanisms in place to report fraud and corruption and how these operate. e.g.: Whistle blowing - The need for officials to make confidential disclosure about suspect fraud and corruption:

1.1. Code of conduct for Public Service requires every employee irrespective of position to report corruption to the appropriate authorities.

1.2. The Prevention and Combating Corrupt Activities Act, 2004 (Act 12 of 2004) requires a person in position of authority in both public and private sector to report corruption, and other crimes involving less or more than R100 000, to the police. If knowingly/ought to had known but fail to report, will be guilty of a crime.

Reporting Mechanisms

1.3. The Department is committed to the highest possible standards of openness, probity and accountability. In line with this commitment, the Department expect employees and others that the Department deals with, who have knowledge of serious allegations of fraud, corruption and maladministration about any aspect of the Department's work to come forward and voice those allegations of fraud, corruption and maladministration. It is recognized that wherever practical, and subject to any legal constraints, many cases will proceed on a confidential basis.

1.4. The Department has a whistle-blowing policy that makes it clear that employees and external stakeholders can blow the whistle without fear of victimization, subsequent discrimination or disadvantage

1.5. **Open Reporting**: The Department receives reports through Walk-ins, emails, telephone via Director: Fraud Awareness and Investigations; Deputy Director-General: Governance, Risk and Compliance; Director-General; Deputy Minister and Minister.

1.6. **Closed reporting**: Anonymous - 0800 701 701 (National Anti-Corruption Hotline).

3.3.3. How these cases are reported and what action is taken:

1.1. The Department's internal investigating unit maintains an allegation register of all cases reported to the Unit for investigation and to promote and maintain accountability the Unit reports all cases to the Audit Committee on quarterly basis.

1.2. Allegations reported to the Department are screened / assessed to establish whether allegations reported meet the minimum elements of fraud, corruption and/or serious maladministration, whether the allegations made fall within the jurisdiction of the Department to warrant further investigation and on a preliminary basis, the approach or strategy to conduct the investigation.

1.3. Since 2009/10 financial year, the Department has conducted 550 investigations on a series of allegations of fraud and corruption, of these 482 investigations have been completed. As a result of these investigations, 518 disciplinary proceedings were initiated against Departmental officials for various misconducts relating to corruption, financial misconduct and non-adherence to Departmental policies and procedures. Of the finalised proceedings, sanctions against officials range from dismissals, final written warnings, suspensions without pay, resignations before finalization of disciplinary hearings etc. A total of 82 cases which consist of criminal acts related to misrepresentation, fraud and corruption have also been referred to the South African Police Services for further investigation and possible prosecution of the perpetrators.

3.4. Minimising Conflict of Interest

To ensure a compliant supply chain management and to prevent and detect collusive practices within the procurement value chain, the department has implemented the below control measures to minimise conflicts of interest.

- All officials involved in supply chain processes are required to annually sign Form PA00 “Code of Conduct for all DPWI Officials Engaged in Supply Chain Management”. The Form requires officials to declare in writing all business, commercial and financial interests.
- Officials involved in tender processes related to the development of specifications, evaluation and recommendation of tender awards, are required to complete and sign Form PA18 “Declaration of Interest and Confidentiality”. This is a mandatory requirement and no tender specification, evaluation or adjudication meeting proceeds if this requirement is not adhered to.
- All SCM officials are required to submit on a quarterly basis a “Related Party Disclosure” Form which requires them to disclose in detail the participation of spouses and close family members in any partnerships, close corporations and / or companies.
- In instances where an official declares a conflict of interest, the members at the meeting then deliberate on the nature of the conflict of interest to determine if it is material to the item under discussion. Legal services opinion is also sought where required. If a declared conflict is considered material, the member is immediately recused from the meeting and the disclosed conflict is recorded.
- All SCM officials are also subjected to a security vetting and screening process.
- The SCM Policy prohibits employees of the State from conducting business with any organ of the state. Bidder(s) that are found to be employed by the State are thus disqualified from the bidding process.
- To promote segregation of duties and to minimise collusive practices, the department processes electronic nomination and rotation of suppliers for quotation transactions by using a sourcing system that interfaces with the National Treasury Central Supplier Database (CSD).
- The CSD is also utilised to scrutinize ownership and directorship of ALL service providers to determine if they are employed by the State or restricted from doing business with the State.
- The departmental standard bidding procedures make it mandatory for all bidders to complete and submit Form PA11 “Bidders Disclosure”. The PA11 requires the bidder to declare any affiliation with any member of the department as well as declare whether they have interest in other companies whether or not they are bidding for the project.
- All external professional service providers that undertake risk assessments on contractors are required to complete a “Consultant Declaration of Interest” Form which requires the

external party conducting the risk assessment to declare any potential conflict of interest with the party on whom the risk assessment is being conducted.

- The department is in the process of implementing probity at every gate of the procurement process which also will check conflict of interests. These probity audits will be undertaken for thresholds from R10 million and above. A SCM Probity Framework is in the process of being approved to that end.
- Members serving in Bid Adjudication Committees are rotated annually whilst members serving in Bid Specification and Bid Evaluation Committees are rotated per project. This to dilute interest.

3.5. Code of Conduct on Labour Relations Issues

Section 195 (1) (a) of the Constitution requires that "a high standard of professional ethics must be promoted and maintained" in public administration generally. It is against this background that the Code of Conduct for the Public Service was promulgated under the Public Service Act and in Chapter 2 of the Public Service Regulations, as amended. The Code of Conduct contained in Chapter 2, Part 1 of the Public Service Regulations as amended, provides employees with sets of rules, values and ethical standards that public servants should adhere to.

The purpose of the Code of Conduct is to ensure that employees conform to the basic values and principles that govern public administration as provided for in various legislations and prescripts. The Code of Conduct in the Public Service provides set standards on how public servants should conduct themselves from an ethical point of view in their individual conduct, performance of their duties and their relationship with others. The purpose of the Code is to promote ethical conduct, good governance and enhance professionalism in public service. It also serves to promote ethical and professional behaviour among employees in the Public Service to enhance service delivery, and to restore confidence and trust in the public service.

In the period under review, the Department has adhered to the Code of Conduct because employees who were found to have contravened the Code of Conduct were subjected to disciplinary processes. The Code of Conduct and Service Charter are circulated to all Departmental users to serve as a reminder of their obligations to comply with same. Further, training in the Code of Conduct is conducted for newly appointed employees as part of the induction with an intention to establish and maintain an ethical culture in the Department

3.6. Occupational Health, Safety and Environmental Issues

The Occupational Health and Safety Compliance Directorate is a sub-programme within the Facilities Management Branch, responsible for ensuring compliance with the Occupational Health and Safety Act and Regulations (OHS Act), Act 85 of 1993, South African National Standards, and the Municipal By-Laws in their respective local authorities, as well as the National Railway Safety Regulator Act no 16 of 2002. This is achieved through continuous scheduled and unscheduled facilities inspections and construction inspections. The Department of Public Works and Infrastructure, through its Occupational Health and Safety Compliance Directorate, has continued to advise and educate staff on the importance of Occupational Health and Safety in the workplace. As part of the awareness campaigns, various habitual activities that most office workers engage in negatively affect their physical well-being. Guided by the Occupational Health and Safety Act 85 of 1993, inspections are conducted on state and leased facilities and construction projects to monitor compliance levels. For most facilities that do not comply with the requirements of the OHS legislation, municipal by-laws, and other relevant acts, reports are compiled with recommendations for the responsible units to address the findings.

One of the Department's strategic risks is the loss of life from construction or maintenance incidents. Within the Department's state and leased facilities, there is a potential risk of occupational diseases and injuries, which can lead to reputational damage to the department and possibly lawsuits or litigation. Part of the Department's controls include conducting inspections to monitor compliance levels in all the facilities the Department provide to the clients' departments or construction projects implemented on their behalf. Compliance inspections are also conducted on the railway sidings managed by the Department in accordance with the Railway Safety Regulator's Act No. 16 of 2002 to ensure compliance with the South African National Standard (SANS) 3000-1. Some sidings are maintained and serviced for the user department, such as the South African National Defence Force (SANDF) for their railway operations.

The SANDF utilizes the railway to transport ammunition and JET fuel for the Presidency. The Department applies for a Railway Safety Permit once every three years with the National Railway Safety Regulator (an agency of the National Department of Transport). The National Railway Safety Regulator (Act No. 16 of 2002) mandates that all entities defined as operators apply to the Railway Safety Regulator (RSR) for a Safety Permit, including the Department of Public Works and Infrastructure According to this Act, all entities must apply to the RSR for a Safety Permit if they are defined as an operator in the Act, including those responsible for maintaining any portion of the networks/siding, including railway yards.

The Department has 27 railway sidings in various regions; only two (2) are active, while the rest are dormant and spiked. As the custodian of railway lines, the Department is categorized as a Class B Network Operator. Network Operators are responsible for maintaining their active railway lines and ensuring they remain in good operational condition to prevent occurrences. The Department incurred a significant loss due to vandalism and theft of the railway sidings in the previous financial year.

The Department has also generated revenue by leasing two (2) of its sidings to private operators. Both private operators are responsible for maintaining the sidings they utilize, as per the service level agreement.

3.7. Portfolio Committees on Public Works and Infrastructure
Key Decisions, Recommendations and Resolutions in the 2024/25 Financial Year

Meeting Agenda	Date of Meeting	Portfolio Committee's Key Decisions, Recommendations and Resolutions
Report of the Portfolio Committee on Public Works and Infrastructure on Budget Vote 13: Public Works and Infrastructure	**10 July 2024**	The report made the following recommendations to the Minister and the Department: 1. Noted progress made on the implementation of Phase IV and the introduction of EPWP Phase V. Details on the unique features of the fifth phase of the EPWP to ensure that beneficiaries are skilled and certified to enter the employment terrain of the formal economy. 2. Progress with integrating the Infrastructure Development Coordination function that funds the Infrastructure South Africa (ISA) through Programme 4. 3. The Total Facilities Management and the Refurbish Operate and Transfer programmes (ROT), are to be operated as public-private partnership solutions for leasing, accommodation, and maintenance of functional accommodation for service delivery Departments. 4. Progress with constructing government service precincts as one-stop service delivery points in large towns and cities. 5. Update plans to ensure the continued viability of the Independent Development Trust, given its sustained operational and financial challenges over the last few years. Information required includes rescheduling and drafting legislation to ensure that it operates and functions on the GTAC model as a social infrastructure delivery agency. 6. Progress is made with updating and completing a reliable and accessible Immovable Asset Register, and any financial implications. 7. Progress was made in the assessment of compliance with the nine Provincial Immovable Asset Registers. 8. Progress with the implementation of Regulation 135 and the Leasing Portfolio. 9. Progress with the continued operationalisation of the PMTE to ensure that the debt collection strategy results in a reduction of overdraft, it turns the value on the Immovable Asset Register into revenue and starts trading as a fully operationalised Property Trading Entity. 10. Report on the R6.0 million allocation towards bursaries for infrastructure-related studies with relevant details of beneficiary organisations, number of bursary holders, and tracking of the throughput rate of beneficiaries.

Meeting Agenda	Date of Meeting	Portfolio Committee's Key Decisions, Recommendations and Resolutions
		11. Progress in the filling of vacant positions, particularly those at senior management level, (i.e. the Director-General and the Head of the PMTE. The report includes progress to date on the filling of vacant specialist areas, such as property lawyers, engineers, economists, and quantity surveyors. 12. The continued monitoring of the Supply Chain Management (SCM) and procurement processes and efforts to integrate systems for a more seamless financial operation and management system between the Head Office and the eleven Regional Offices. Internal controls of the shared services, the budget, and the timely payment of invoices within 30 days of its receipt. 13. Report on consequence management as well as progress in preventing fraud and corruption. 14. Update on matters related to the Kosi Bay Border project with the KwaZulu Natal Provincial government and the broader border maintenance project.
6th Parliament Committee Legacy Report	24 July 2024	Key discussions included the reintroduction process for lapsed bills, the Expropriation Bill's legislative journey, and the need for strategic planning and collaboration. Concerns were raised about financial strains, delays in processing legislation, the need for public understanding of bills, and the impact of the Spatial Planning and Land Use Management Act on traditional leadership. Members emphasised the importance of participating in strategic sessions, learning from international practices, and effective oversight. Responses by the Department's support staff clarified that lapsed bills required a fresh start, public participation was crucial and balancing legislative and oversight roles was essential.
Rebuilding Parliament after the 2022 Fire; with Deputy Minister	21 August 2024	The Chairperson expressed frustration with the decision to transfer the mandate to Parliament and the DBSA. She emphasized the importance of transparency and a coordinated approach, suggesting that DPWI, Parliament and DBSA collaborate to clearly define their roles and responsibilities. This approach is essential to address the slow progress and ensure the timely completion of the rebuilding efforts. Challenges such as road ownership, maintenance access, and funding were discussed, with recommendations for improved communication and DPWI seeking support from National Treasury.

Meeting Agenda	Date of Meeting	Portfolio Committee's Key Decisions, Recommendations and Resolutions
Reconstruction and Recovery Plan and the National Development Plan; with Deputy Minister	28 August 2024	The Chairperson remarked that delays in infrastructure implementation would be a thing of the past. She pointed out that the Makhado Economic Zone needed water. ISA needs to fast-track things and speed up processes. Delays were causing investors to lose interest in these projects. In 2019, the President spoke about a bullet train from Musina to Cape Town, but that had not seen the light of the day. These were the projects the Committee wanted ISA to assist in implementing. They would provide employment. Bilaterals with the National Treasury should continue to try to get funding from other countries, because ISA has good relations with the World Bank and the BRICS Bank
DPWI proposed legislation, with Minister and Deputy Minister	4 September 2024	The Department provided the Committee with details of the various pieces of legislation and the progress on the reconfiguration of the Independent Development Trust (IDT). The council of the CBE had recommended that the entity approach the Minister to review the CBE Act and Acts of the CBE professionals. The proposed review was based on some gaps identified in discharging the mandate of the CBE and its councils. **The Chairperson said the report on the George building collapse was needed from the Department in order to prevent a recurrence of such an event. The legislation had to assist the entity that was responsible for such buildings. Deputy Minister Zikalala said it was important to invite the Department of Employment and Labour, and the South African Police Service (SAPS) for a meeting with the Engineering Council of SA, which was ready with its report.**
Briefing by the DPWI/PMTE on the 2023/24 Fourth Quarter performance; with Deputy Minister	11 September 2024	The Portfolio Committee on Public Works and Infrastructure met to discuss the Department of Public Works and Infrastructure's (DPWI) and the Property Management Trading Entity's (PMTE) fourth quarter performance for 2023/24. The Chairperson emphasised that if the PMTE were a business, it would be considered bankrupt at this stage, stating, "If you're operating but not performing, you are effectively bankrupt." Management was asked to be candid and discuss whether they were satisfied with the Department's performance.

Meeting Agenda	Date of Meeting	Portfolio Committee’s Key Decisions, Recommendations and Resolutions
		Management was tasked with prioritising the matter of the department's inadequate property management, stressing that effective operation requires sufficient resources as such it’s important to schedule a special meeting to address property management issues and determine how the Committee can assist. The Chairperson insisted on increased transparency and support from the Department, calling for a detailed report on outstanding debts and unfinished projects. She supported the suggestion that the DPWI, PMTE, and National Treasury present a business model to optimise the PMTE’s operations, ensuring it possesses the necessary tools to recover debts and maximise the value of the government portfolio.
The Portfolio Committee on Public Works and Infrastructure received a briefing from the Auditor-General of South Africa (AGSA) on their mandate and on the audit outcomes for the Department of Public Works and Infrastructure (DPWI) and its entities.	18 September 2024	The Committee heard that there has been an overall improvement in audit outcomes. Most entities achieved over 50 percent of their targets, except for the DPWI itself and the Property Management Trading Entity (PMTE). DPWI spent 86 percent of the budget for its key delivery programme but met only 20 percent of the planned targets. Delays in infrastructure projects affected service delivery and could lead to requests for additional funds, further straining the fiscus. Members raised several issues. These ranged from the systemic financial irregularities reported, delayed projects, project management capacity at the PMTE, a lack of effective monitoring and accountability, as well as a disconnect between performance and spending.
EPWP performance; with Ministry	30 October 2024	The Committee met with the Department of Public Works and Infrastructure (DPWI) to discuss the progress of Phase V. of the Expanded Public Works Programme (EPWP).

Meeting Agenda	Date of Meeting	Portfolio Committee's Key Decisions, Recommendations and Resolutions
		DPWI presented on its vocational and further education and training skills development and certification; the EPWP incentive grant per province and municipality; the role of the Independent Development Trust (IDT) and ongoing improvement of data collection, verification, and recording of EPWP employment opportunities. EPWP aims to meet the target of creating a million work opportunities this year despite challenges faced by budget cuts and the high dropout rate of participants. Committee members provided suggestions on how to improve the Expanded Public Works Programme and remedy the high dropout rate.
The Budgetary Review and Recommendations Report of The Portfolio Committee on Public Works and Infrastructure for The Financial Year 2023/24	13 November 2024	The committee noted matters including those from previous years that dilute the effectiveness and efficiencies of the department and its entities. It recommends that the Minister ensures that the Department and entities provide reports on the following matters and reports on them by March 2026: 1. A report by the Director-General on implementing the Parliamentary Village Board Act (No. 96 of 1998) and establishing a fully functional Parliamentary Village Board. Financial reporting and governance need urgent attention as it has a negative impact on matters such as living conditions, safety, and security of Members of parliament and sessional staff. 2. Progress report on vacancies across the DPWI Head Office and the eleven PMTE regional offices. It should further cover the strategy to draw and retain well-qualified, experienced property specialists and construction management professionals to the department and regional offices. It should further provide information on whether the DPWI as lead coordinating department of infrastructure have a strategic plan to address the on-going challenge to appoint critical skills in the property, construction and built environment professional sector. 3. A report from the Accounting Officer- DG (and Head of the PMTE) on responses from National Treasury and the Accounting Officers of client departments to deal with the outstanding balance of outstanding debt to the DPWI/PMTE so that details of disputes and other constraining matters can be identified and dealt with.

Meeting Agenda	Date of Meeting	Portfolio Committee's Key Decisions, Recommendations and Resolutions
		5. A report on the use of consultants, project managers, and community liaison officers to effectively deal with social unrest and the invasion of projects that cause delays in completion dates and overspending on infrastructure projects. The report to deal with: 5.1. the need for more effective community liaison and social facilitation to ensure community ownership of infrastructure projects. 5.2. a report with the South African Police Service on a strategy to deal with securing and safeguarding construction projects including protection from „construction mafias". 6. A report on the strategy to ensure the appointment of designated groups in the organogram as the annual report showed regression in achieving transformation targets. 7. A report on high vacancies and underspending in specifically key programmes such as Construction Project Management, Facilities Management Services and Asset Registry Services. 8. A report on progress with the SIU investigations. 9. CBE to report on the operationalisation of the Knowledge Hub, appointment of its management and researchers, and the plan to collaborate with research institutions into the built environment professions that could assist the executive authority to design BEP policies that address key matters that influence the BEP in the future. These are matters (not limited to these only) such as: 9.1. fit-for-purpose teaching in BEP faculties at universities and private higher education institutions covering non-standardised innovative green building material and systems. 9.2. the effect of labour-intensive building methods on planning, costing, time-to- 30 completion, and construction project management.

Meeting Agenda	Date of Meeting	Portfolio Committee's Key Decisions, Recommendations and Resolutions
		9.3. the demands of large infrastructure project management that are funded in public private partnership arrangements on the construction project management as a BEP field. 9.4. the identification of tendencies and trends emerging in legal cases before courts affecting the work of all BEPs to enhance compliance to the Framework for Infrastructure Procurement Delivery Management (FIPDM); 9.5. the skills pipeline from high schools to professional registration; recognition of prior learning that ensures that standards and quality is not diluted in each of the voluntary councils/associations; the relationship between CBE and other BEP councils/associations where BEP professionals register but are not functioning under its mandated authority. 10. An update report on the work to reconfigure the IDT into a social infrastructure development and property maintenance agency that serves the objectives of the National Development Plan. This should include the planned collaboration with the Government Technical Advisory Centre (GTAC) to ensure effectiveness and efficiency. 11. A progress report from the PMTE Facilities and Construction Project Management team including the lead officials and project manager(s) on investigations into all the allegations related to construction project mismanagement that might lead to Fruitless and Wasteful expenditure. The report lists projects, their geographical positions, client departments, scope of work, bills of quantities, main and sub-contracting companies, including allegations that electrical work was done at the first floor which had to be re-done in a follow-up refurbishment project of the same first floor. 12. Quarterly progress reports on the Public Works Bill and the amendment of the legislation of the CIDB and the CBE to respectively transform the construction and professional built environment sector to improve the transformation of the construction industry; strengthen the processing of the funds collected for development and progression of contractors on the Register of Projects; and enforce compliance with the Construction Industry Regulations.

Meeting Agenda	Date of Meeting	Portfolio Committee's Key Decisions, Recommendations and Resolutions
		13. Reports to the Committee regarding plans to ensure that the IDT is fully capacitated during the 2024/25 financial year. The IDT should be utilised as the preferred Government entity for construction of infrastructure projects to ensure construction costs containment. The entity must be restructured to ensure greater financial control, and it needs to complete this process to achieve an unqualified audit in this financial year. Further improvements are required to ensure that supply chain management conforms to the PFMA, and a capital transfer needs to occur from the department to the entity for its operational costs. The committee expects to be kept informed on the progress in relation to the recovery and the reconstruction of IDT on a quarterly basis. **Portfolio Committee on Public Works and Infrastructure's Report on the Capacity Building Workshop** The objective of the session was to ensure that Members can deal with the technical aspect of legislation more effectively, thereby ensuring that the pieces of legislation produced are of a high standard and that Members are able to acquaint themselves with the work of the Department of Public Works & Infrastructure (DPWI) and its entities. Having considered the findings that emerged from, and are evident in the deliberations, the Committee recommends that Parliament must adopt the Capacity Building Model as part of its on-board programme and roll it out to all Portfolio and Select Committees to fully capacitate all Members of Parliament. **Portfolio Committee on Public Works and Infrastructure's report on an oversight visit to Gauteng.** Having considered the deliberations, notes and findings that emerged, the Committee recommends that the Minister of Public Works and Infrastructure:

Meeting Agenda	Date of Meeting	Portfolio Committee's Key Decisions, Recommendations and Resolutions
		1. Appears quarterly before the Committee to brief its members on the performance of the DPWI/PMTE and entities. 2. Submits a report on the forensic investigation initiated by the previous Minister of Public Works and Infrastructure into the Telkom Towers project and all relevant sub-components within 30 days of the tabling of his report. 3. Initiates an independent forensic investigation into the procurement, refurbishment, and failed accommodation of SAPS at the Telkom Towers. This report is to be tabled to the Committee in the 2024/25 financial year. The objective is to establish all costs, initial scope of works, amended scope, amended cost, time delays, security expenditure per month, vacant floors and spaces, and outstanding elements that lead to continued delays. 4. Investigates the use of private accommodation by SAPS as opposed to using government buildings that were reported as available during the 2024/25 financial year. 5. Ensures that the Parliamentary Villages Board is constituted during the 2024/25 first quarter and submits financial statements as mandated. Reports on this by April 2025. 6. Has bilateral engagements with the State Information Technology Agency (SITA) to establish whether the agency can assist with the development of the Immovable Asset Register and Enterprise Resource Planning (ERP) systems during the 2024/25 financial year. 7. Ensures that the IDT is properly reconfigured into a profitable entity that will be able to carry out projects to be sustainable. 8. Prioritizes the finalisation of legislation, including the Public Works Bill for tabling to Parliament within the 2024/25 financial year. If not, a report on the department's legislative programme for the 7th term to be made to the Committee before March 2025.
Review of Capacity Building Workshop: National School of Government &	22 November 2024	Key recommendations from the meeting included improving research capacity, fostering interdepartmental collaboration, shifting from procedural compliance to value-based governance, and directly engaging with communities to ensure that oversight outcomes benefit citizens. Members emphasized the importance of enforcing accountability through performance agreements and legislative changes to support new mandates.

Meeting Agenda	Date of Meeting	Portfolio Committee's Key Decisions, Recommendations and Resolutions
Public Service Commission.		The meeting concluded with a commitment to extending the insights from the workshop and expert presentations to political caucuses to enhance governance practices across committees.
DPWI/PMTE Q1 and 2 2024/25 Performance; with the Minister.	27 November 2024	The Chairperson thanked the Minister and the delegation for their time and for staying with the Committee until the end of the meeting. She remarked that their presence was meaningful and demonstrated a shared commitment to addressing the challenges faced by the Department. She noted that this collaboration gave hope and confidence that it was moving in the right direction, as noted by the Members. She emphasized that the questioning and discussions during the meeting were not intended to create conflict but were aimed at improving the lives of South Africans. She agreed with the Minister's earlier comments regarding client departments failing to pay their leases, and supported the suggestion to disconnect services, where necessary. She said that some departments deliberately failed to pay because they did not appreciate the consequences of their actions. She encouraged the Minister to implement strategies to enforce what was rightfully owed to the Department.
DPWI corruption cases: DPWI & SIU update with Minister	06 December 2024	Committee members voiced concerns about corruption, stalled projects, and the lack of adherence to SIU recommendations. Members called for regular progress reports, stronger preventative measures, and expedited use of the special tribunal to resolve cases. The SIU assured the Committee of sufficient resources for investigations and outlined plans to enhance data analytics and risk management.
Plans to ensure financial viability of the IDT	29 January 2025	The committee proposed that it should be the role of the Department to engage departments that owed the IDT money and thereafter brief the Committee and indicate the required intervention. The responsibility should first come from the Department. She asked the CEO and chairperson of the IDT to polish the work relations between the entity and Department going forward.
PMTE Business Model: engagement with DPWI and DPSA; with Deputy Ministers	05 February 2025	The Chairperson reiterated that the PMTE must persuade the Minister to formally initiate the reconfiguration process by writing to the Minister of the DPSA. The Committee made recommendations as follows:

Meeting Agenda	Date of Meeting	Portfolio Committee's Key Decisions, Recommendations and Resolutions
		• Regular updates on engagements with the Speaker regarding the Minister's non-attendance. • Access to the Department's disposal strategy document. • Quarterly updates on meetings with client departments that owe money, including progress reports. • Feedback on the PMTE's turnaround strategy, covering successes and challenges. • Vacant government-owned land be reviewed and offered to municipalities or provincial governments for specific uses, reducing liabilities from unpaid property taxes. • DPW officials return in two weeks for an update on the asset register and other outstanding matters. The Committee resolved that: • Quarterly reports from the Minister detailing plans and progress on implementing the Expropriation Act. • A formal letter to the Speaker regarding Treasury's non-attendance at Committee meetings. • A progress report on land parcels and the asset optimisation strategy framework in the next Committee engagement.
Proposed Infrastructure Development Bill, CBE Bill & CIDB Bill: DPWI briefing; with Deputy Minister	26 February 2025	Members asked what the difference was between what had been presented in September 2024 and this meeting, and the reasons for the delay. Concerns were raised about the state of the country's public infrastructure. The Committee expressed its desire to assist the DPWI in moving forward.
DPWI & PMTE Q3 2024/25 Performance; Proposed Legislation; with	05 March 2025	There were disagreements between the Minister and Deputy Minister, with concerns raised about a lack of coordination and contradictory statements. Members suggested that leadership resolve their issues internally and work as a united front when presenting to the Committee.

Meeting Agenda	Date of Meeting	Portfolio Committee's Key Decisions, Recommendations and Resolutions
Minister and Deputy Minister		The Committee questioned the accuracy of reports presented by the Department, particularly allegations of under-reporting. Concerns were raised about transparency and whether all relevant stakeholders were involved in decision-making. Members sought clarity on the status of IDT Board appointments, questioning the removal of certain members and the progress in appointing new ones. They emphasised the need for resolution before moving forward with legislative and programmatic commitments.
Government Immovable Asset Register Update; Agrément Industry and Stakeholder Forum report	12 March 2025	Members called on the DPWI to work with other departments, such as the Department of Human Settlements, to address South Africa's many housing and land issues, and ensure people were housed in better living conditions. Committee Members raised concerns around the dissemination of sensitive information and cyber security. The Committee then considered the Agrément Industry and Stakeholder Forum Report. Members who had participated commended the forum, recognising that Agrément's products provided immediate solutions to the many issues faced by municipalities. They recommended that the entity change its name to better identify its important function. They agreed that ASA should increase its visibility and exposure to ordinary South Africans and that the event should be held annually.
IDT Board Appointment process; IDT reconfiguration and sustainability; with the Deputy Minister	19 March 2025	Committee Members raised concerns on financial reliance on the Department. The need for the entity's independence and the importance of becoming a profitable business was highlighted. The committee also resolved to have a meeting with the Minister in order to understand the filling of vacancies that occurred at the IDT Board.

3.8. Internal Control Unit

The Internal Control unit within the Department of Public Works and Infrastructure (DPWI) plays a pivotal role in supporting good governance, ensuring compliance, and enhancing organisational resilience. Operating as an integral part of the Department's oversight mechanisms, the unit functions to safeguard the integrity and efficiency of the Department's financial and operational processes across both the **Main Account** and the **Property Management Trading Entity (PMTE)**.

In line with the 2022 **Compliance Framework** issued by the National Treasury, the Internal Control unit continues to perform **compliance assessments** and **control effectiveness reviews**, ensuring that all activities conform to relevant legislation, regulations, and internal policies. These assessments are not merely tick-box exercises but are deliberately structured to provide meaningful insights into the Department's internal control environment, thereby driving continuous improvement and risk mitigation. The assessment and determination tests are often hindered by unavailability of supporting documents, especially for transactions as far back as over ten years, which culminate in slow pace to reduce the balances of irregular and fruitless and wasteful expenditure.

Moreover, the Internal Control unit plays a **coordination role in the audit process**, acting as a vital conduit between the Department and the Auditor-General of South Africa (AGSA). This includes seamless audit coordination, facilitating timely submission of audit documentation, clarifying audit queries, and tracking implementation of audit recommendations for both the Main Account and the PMTE. The development of Audit Action Plans remains one of the critical drivers to ensure improvements and clearing the prior audit findings. The Audit Action Plans are managed and tracked through the Audit Steering Committee throughout the year, and Internal Control Units provides secretariat function towards the committee in ensuring that it delivers on its mandate.

The Internal Control function also supports the Department's broader governance objectives, particularly the strategic drive toward becoming a **Resilient, Ethical, Agile, and Capable** institution. By proactively identifying control weaknesses, recommending corrective actions, and monitoring progress, the unit ensures that the Department's operations are underpinned by sound governance principles and a culture of compliance.

Through its cross-cutting mandate, the Internal Control unit contributes directly to the Department's ambition of creating a robust internal environment that is both **responsive to risks and adaptable to change**. It serves as both a mirror and a compass, reflecting the current state of internal controls and guiding the Department towards improved governance maturity.

3.9 Audit Committee Report for the year ended on 31 March 2025)

The Department of Public Works and Infrastructure (inclusive of its Property Management Tarding Entity – The PMTE)

Audit Committee Report for the year ended 31 March 2025

The Audit Committee ("The Committee") is established as an independent statutory Committee in terms of the PFMA. The Committee functions within approved terms of reference, which are reviewed at least annually to ensure their continued relevance and comply with relevant legislation, regulation and governance codes.

The Committee is pleased to present this report for the financial year ended 31 March 2025, as required by the Treasury Regulations 3.1.9 and 3.1.13 (b) and (c) issued in terms of sections 38 (1) (a)(i) and 76(4)(e) of the PFMA.

Audit Committee members and attendance

In the current year (the year under review), the Department (the Main Vote) and its trading entity, the Property Management Trading Entity (the PMTE), had a functional Audit Committee established in terms of the Public Finance Management Act, Act No. 1 of 1999 (the PFMA). In this report, collectively, the Department and the PMTE are referred to as "The Entity."

The attendance of meetings by the Committee members was as follows:

Name of member	Qualifications	Date appointed	Date of resignation	Number of meetings attended
Mr AN Mhlongo (Chairman)	CA (SA), ACMA, CGMA, ATC, B Com (Hons), B Com.	01/12/2019	Current	8/8
Mr P Heeger	Pr CPM, Pr TECH(ENG), Pr TECH (ARCH), MSAICE (JSD)	01/12/2019	Current	7/8
Ms SFS Makhathini	CA(SA), B Compt (Hons), CTA, B Com	01/12/2019	Current	8/8
Mr SM Mamotheti	MPhil, MBA, CIA, CCSA, B Compt, PGD., HDip Tax,	01/12/2019	Current	8/8
Ms MM Phiri	CA(SA), B Compt (Hons), B Com	01/12/2019	Current	8/8
Ms N Sonjani	CA (SA), CTA, B Compt	01/12/2019	Current	8/8

Audit Committee Responsibilities

The Committee is satisfied that it has complied with its responsibilities as outlined in section 38(1) (a) of the PFMA and Treasury Regulation 3.1. The Committee also reports that it has adopted and reviewed formal terms of reference as its charter and has discharged all its responsibilities as contained therein.

The Committee is required to report amongst others on the effectiveness of the internal controls, the quality of the management reports submitted in terms of the Division of Revenue Act as well as its evaluation of the annual financial statements.

The Effectiveness of Internal Control

The system of internal controls is designed to provide cost effective assurance that assets are safeguarded and that liabilities and working capital are efficiently managed.

The system of internal controls of the Entity is still not considered to be efficient or effective. The impact of these internal control deficiencies is evident in the state of corporate governance within the Entity as well as in the current year audit outcome which is a qualified opinion for PMTE. The key significant areas where the system of internal controls was inadequate or ineffective, based on the reports from Internal Audit Unit, AGSA and other assurance providers include the following: -

- The status of outstanding debtors is still deteriorating despite a number of initiatives that have been implemented.
- Inadequacies of good internal controls around the management of leases remain a big concern
- Lack of significant improvements regarding the implementation of the previous years' internal audit action plans and no significant consequence management initiated against the wrong doers.
- Inadequate automation of business processes, poorly implemented ICT systems, dependency on the legacy & outdated systems and the poor internal control environment within ICT systems and processes continued to hamper overall improvements in the internal control environment.
- Despite the fact that there is work still to be done on Immovable Assets Register; for the current year, there were no audit qualification matters which arose as a result of inadequate administration of Immovable Assets Register.
- Although some improvements were noted on the accruals, they are still not significant enough to improve the overall audit outcome for the current year**.**

Other than the above-mentioned items, the Committee wishes to highlight the following areas which were identified by internal audit work as having internal control deficiencies:

- Information and Communication Technology (ICT),
- Extended Public Works Programme (EPWP)
- Pre-Determined Objectives,
- Contract Management
- Construction Project Management,
- Facilities Management,
- Supply Chain Management,
- Real Estate Management Services

The effectiveness of the Internal Audit Function

The Internal Audit function is responsible for reviewing and providing assurance on the adequacy and effectiveness of the internal control environment across all the significant areas of the Entity and its operations.

The Committee is responsible for ensuring that the internal audit function is independent and has the necessary resources, skills, standing and authority within the Entity to enable it to discharge its responsibilities effectively. The Internal Auditors have unrestricted access to the Committee.

The Committee reviews and approves the Internal Audit Plan annually. Internal audit function's activities are measured against the approved internal audit plan and the Chief Audit Executive tables progress reports in this regard to the Committee.

The Internal Audit function performed a wide range of operational, financial, compliance and information-technology audits. In addition to these planned audits, the unit also attended to certain management requests.

Enterprise Risk Management

The Committee is also responsible for the oversight of the Entity's risk management activities.

A strategic and operational risk assessment for the year under review was conducted.

The Committee has reviewed the risk registers and risk mitigation action plans on a quarterly basis and has made recommendations where appropriate.

In-Year Management and Monthly/Quarterly Report

The Committee reports that, during the year under review, it was presented with regular quarterly management reports to enable it to:

- Monitor the integrity, accuracy and reliability of the performance of the Entity.
- Review the disclosure in the financial reports of the Entity and the context in which statements on the financial health of the Entity are made; and
- Review all material information presented together with management accounts.

The reports were discussed with the Entity's management.

Evaluation of Financial Statements

The Committee reviewed the Annual Financial Statements prepared by the entity before submission to the Auditor General of South Africa and consequently also the Audited Annual Financial Statements and discussed the Audited Annual Financial Statements, to be included in the annual report, with the Auditor-General of South Africa and the Accounting Officer and is satisfied that the accounting policies used are appropriate. The Annual Financial Statements were reviewed with the following focus:

- Significant financial reporting judgements and estimates are contained in the financial statements.

- Clarity and completeness of disclosure and whether disclosures made have been set properly in context.
- Changes in Accounting Policies and Practices.
- Significant adjustments resulting from the Audit.
- Compliance with accounting standards and legal requirements.
- Explanation for the accounting treatment adopted; and
- Reasons for significant year-on-year fluctuations.

External Audit: Auditor General South Africa

The Committee, in consultation with the Accounting Officer, agreed to the terms of the Auditor General South Africa's engagement letter, audit strategy and audit fees in respect of the 2024/2025 financial year.

The Committee also monitored the implementation of the action plans to address matters arising from the Management Report issued by the Auditor-General South Africa (AGSA) for the 2023/24 Financial Year.

The Committee concurs and accepts the conclusions of the Auditor-General on the annual financial statements and is of the opinion that the audited Annual Financial Statements and Annual Performance Information report be accepted and read together with the report of the Auditor-General South Africa.

The Committee strongly recommends interaction between the Committee and the management team to discuss and agree on the way forward on the implementation plan for an improved internal control environment within the Entity, thereby addressing the current internal control environment shortcomings of the entity.

Interaction with the Executive Authority

The Committee met the Executive Authority twice, in the year under review to inform the Executive Authority about the Committee's activities and the Entity's state of internal controls.

Signed on behalf of the Committee by:

Mr AN Mhlongo CA (SA), ACMA, CGMA
Chairman of the Audit Committee
Date: 2 September 2025

CHAPTER 4
HUMAN RESOURCE MANAGEMENT

4.1. Introduction

The organisational strategic objective of human resources management function in the Department is to implement effective human resources management services to ensure procurement of adequate and sufficient skills personnel, and that their individual and collective performance is monitored. Within the approved Human Resources Management legislative frameworks issued by the Department of Public Service and Administration (DPSA) and the recent financial constraints, the Human Resources Management unit could not provide efficient support service to the business units of the Main Vote and the Property Management Trading Entity (the PMTE), with faster pace, by means of effective management and implementation of Human Resources (HR) polices, HR plan and HR interventions.

4.2. Status of Human Resources in the Department (DPWI and PMTE)

The Department of Public Works and Infrastructure has a total of **5 764** approved and active posts in the establishment, however only **4 965** posts are filled, and **799** positions are vacant and funded. The Department has also employed **453** employees, in addition to the establishment supporting its operations. Of the **4 965** filled positions, **180** are within the senior management echelons comprising of **108** (60%) males and **72** (40%) females respectively. This reflects 10% short towards the 50% target on the appointment of females into senior management positions.

There are only two recognized and actively participating organized labour unions in the Department, namely Public Service Association (the PSA) and National Education, Health and Allied Workers Union (NEHAWU) that duly represent the employees at various platforms. The Labour Relations Management unit represent Management of the Department to facilitate effective employer/employee relationship and conducive working environment. To this end, the Departmental Bargaining Chamber (DBC) has convened a total of six DBC meetings, with three ordinary DBC meetings and three special DBC meetings respectively, during the period under review.

4.3. Workforce Planning

The Department has an approved HR Plan for the Medium-Term Expenditure Framework (MTEF) period. The primary purpose of the HR Plan is to ensure sourcing, development and retention of an adequate number of employees with the right skills set and competencies. It further promotes the nurturing and maintenance of the right employees' behaviour and healthy attitudes and paves a way for continued employees' skills development, as informed in the skills and competencies needs detailed by the skills inventory of the Department.

The Human Resources and Organisational Development unit also develops the Workplace Skills Plan (WSP) for the Department precipitated by the Skills Audit exercise which is done as a project or through the assessment of submitted individual employees' Personal Development Plans (PDPs). As part of the implementation of the WSP, a significant number of training and development interventions were identified and implemented during the period under review, as depicted in the following tables relating to skills development.

4.4. Performance Management

The Department has approved the Performance Management and Development System policy which is aimed at managing the individual performance of employees in the Department. The Department has mainly, during the period under review, focused on the following Human Resources Management functions as part of the efforts to contribute comprehensively to effective employees' performance management and development efforts.

- Managed Human Resources policies and procedures, planning and staffing
- Managed employees' conditions of services (benefits)
- Facilitated and monitored the implementation of employment equity within its ranks
- Ensured that effective implementation of PERSAL management infrastructure is in place and maintained
- Facilitated the implementation of Code of Conduct, Labour Relations guidelines, policies and practices
- Facilitated labour relations services such as management of grievances, labour disputes, discipline and collective bargaining
- Managed implementation of the Skills Development Act through coordinated and facilitated training and development interventions, implementation of Schools programme, Job Shadow programme, Management Training, Buddy programme, Bursary Scheme, Adult Education and Training (AET) programme, internship and learnerships programmes, Young Professional/Candidacy programme and Mentorship programme.
- Management of wellness programmes also witnessed the accelerated utilisation pace by employees on screening various non-communicable diseases services such as hypertension, cholesterol, diabetes etc, and continued management of those at risk through the disease management programme.

4.5. Personnel related Expenditure in DPWI

The following Human Resources tables provide a summation of personnel-related expenditure by programme and by salary bands. The tables particularly provide an indication of the amount spent on Compensation of Employees (CoEs) such as salaries, overtime, resettlement, housing allowance and medical aid.

4.5.1. Personnel Expenditure by Programme

Programme	Total Voted Expenditure (R'000)	Compensation of Employees Expenditure (R'000)	Training Expenditure (R'000)	Compensation of Employees as percent of Total Expenditure	Average Compensation of Employees Cost per Employee (R'000)	Employment (Including periodic appointment, etc.)
DPW: ADMINISTRATION	535 062	283 066	2 494	52.90	731.44	387
DPW: INTERGOVERNMENTAL COORDINATN	49 278	35 314	494	71.66	1 103.56	32
DPW: EXPANDED PUBLIC WORK PROGRAMME	2 204 626	182 664	0	8.29	931.96	196
DPW: PROPERTY & CONST IND POL & RES	4 694 895	14 776	0	0.31	1 136.62	13
DPW: PRESTIGE POLICY	86 548	30 504	0	35.25	871.54	35
Total as on Financial Systems (BAS)	**7 570 409**	**546 324**	**2 988**	**7.22**	**4 775.12**	**663**

In tables 4.1.1 to 4.1.4 Employment includes permanent employees and employees in positions additional to the establishment it includes all employees even those not carried against a post e.g. periodic appointment, etc. Periodic appointments and abnormal appointments is how PERSAL identifies the nature of appointments of employees who are paid a stipend/time sheets for example NYS Learners, etc. Compensation of Employees in table 4.1.1 is based on BAS information for Cost of Employees. Tables 4.1.2 to 4.1.4 is based only on PERSAL information only.

Table 4.5.2 Personnel costs by salary band

Salary Bands	Compensation of Employees Cost including Transfers (R'000)	Percentage of Employee Cost including Transfers	Average Compensation Cost per Employee (R)	Number of Employees
Skilled (Levels 3-5)	37 375	6.70	322 198	116
Highly skilled production (Levels 6-8)	92 720	16.60	558 554	166
Highly skilled supervision (Levels 9-12)	269 766	48.20	999 133	270
Senior management (Levels >= 13)	127 139	22.70	1 461 368	87
Contract (Levels 1-2)	120	0.00	120 000	1
Contract (Levels 3-5)	2 397	0.40	342 429	7
Contract (Levels 6-8)	1 494	0.30	747 000	2
Contract (Levels 9-12)	6 954	1.20	993 429	7
Contract (Levels >= 13)	10 114	1.80	1 685 667	6
Contract other	1	0.00	0	0
TOTAL	**548 080**	**98.00**	**826 667.00**	**663**

* NB Compensation of Employees including transfer cost is. R548 080 000 transfer Cost in terms of PERSAL refers to the payment of Resettlement Cost and Leave Gratuity that is paid on PERSAL but posted against Items in Goods and Services.

Table 4.5.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme

Programme	Salaries (R'000)	Salaries as % of Personnel Cost	Overtime (R'000)	Overtime as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass. (R'000)	Medical Ass. as % of Personnel Cost	Total Personnel Cost per Programme including Goods and Services (R'000)
DPW: ADMINISTRATION	227 688	79.80	6 238	2.20	9 969	3.50	13 110	4.60	285 296
DPW: INTERGOVERNMENTAL COORDINATN	30 735	82.70	526	1.40	1 054	2.80	811	2.20	37 149
DPW: EXPANDED PUBLIC WORK PROGRAMME	154 342	80.70	51	0.00	6 433	3.40	4 705	2.50	191 225
DPW: PROPERT&CONST IND POL & RES	14 217	85.80	0	0.00	488	2.90	223	1.30	16 569
DPW: PRESTIGE POLICY	22 681	78.10	1 643	5.70	602	2.10	996	3.40	29 052
TOTAL	**449 662**	**80.40**	**8 457**	**1.50**	**8 547**	**3.30**	**19 846**	**3.50**	**559 291**

* **Note Table 4.1.3** Compensation of Employees including transfer cost is R548 080 000. In terms of Table 4.1.3 and Table 4.1.4, Total Personnel Cost also includes Goods and Services, meaning transfer costs e.g. Resettlement and Leave Gratuity as well as S & T that is paid through PERSAL. Therefore, the difference in the expenditure for Total Personnel Cost.

Table 4.5.4 Salaries, Overtime, Homeowners Allowance and Medical Aid by salary band

Salary bands	Salaries (R'000)	Salaries as % of Personnel Cost	Overtime (R'000)	Overtime as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass. (R'000)	Medical Ass. as % of Personnel Cost	Total Personnel Cost per Salary Band Including Good and Services (R'000)
Skilled (Levels 3-5)	24 194	64.60	2 293	6.10	2 460	6.60	5 216	13.90	37 456
Highly skilled production (Levels 6-8)	69 753	74.90	3 364	3.60	3 509	3.80	7 121	7.60	93 172
Highly skilled supervision (Levels 9-12)	228 006	82.00	2 611	0.90	6 673	2.40	6 538	2.40	277 889

Senior management (Levels 13)	108 949	84.20	0	0.00	5 657	4.40	877	0.70	129 411
Contract (Levels 1-2)	120	100.00	0	0.00	0	0.00	0	0.00	120
Contract (Levels 3-5)	2 241	92.90	45	1.90	0	0.00	0	0.00	2 412
Contract (Levels 6-8)	1 426	93.90	67	4.40	0	0.00	0	0.00	1 519
Contract (Levels 9-12)	6 097	86.90	77	1.10	21	0.30	95	1.40	7 015
Contract (Levels >= 13)	8 876	86.20	0	0.00	227	2.20	0	0.00	10 295
Contract Other	0	0.00	0	0.00	0	0.00	0	0.00	1
TOTAL	**449 662**	**80.40**	**8 457**	**1.50**	**18 547**	**3.30**	**19 846**	**3.50**	**559 291**

4.6. Employment and Vacancies in DPWI

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

- programme
- salary band
- critical occupations

Table 4.6.1 DPWI Employment and vacancies by programme

Programme	Number of Posts	Number of Posts Filled	Number of Posts Vacant	Vacancy Rate %	Number of Posts Filled Additional to the Establishment
DPW:ADMINISTRATION	460	387	73	15.90	13
DPW:EXPANDED PUBLIC WORKS PROGRAMME	228	196	32	14.00	0
DPW:INTERGOVERNMENTAL COORDINATN	40	32	8	20.00	2
DPW:PRESTIGE POLICY	41	35	6	14.60	1
DPW:PROP & CONS INDUS POLICY REG	21	13	8	38.10	0
TOTAL	**790**	**663**	**127**	**16.10**	**16**

Table 4.6.2 DPWI Employment and vacancies by salary band

Salary Band	Number of Posts	Number of Posts Filled	Number of Posts Vacant	Vacancy Rate	Number of Posts Filled Additional to the Establishment

Skilled (Levels 3-5)	131	116	15	11.50	0
Highly Skilled Production (Levels 6-8)t	196	166	30	15.30	2
Highly Skilled Supervision (Levels 9-12)	325	270	55	16.90	0
Senior Management (Levels 13-16)	114	87	27	23.70	2
Other	1	1	0	0.00	0
Contract (Levels 1-2)	1	1	0	0.00	1
Contract (Levels 3-5)	7	7	0	0.00	4
Contract (Levels 6-8)	2	2	0	0.00	2
Contract (Levels 9-12)	7	7	0	0.00	4
Contract (Levels 13-16)	6	6	0	0.00	1
TOTAL	**790**	**663**	**127**	**16.10**	**16**

Table 4.6.3 Employment and vacancies by critical occupations

Occupation	Number of Posts	Number of Posts Filled	Number of Posts Vacant	Vacancy Rate %	Number of Posts Filled Additional to the Establishment
Senior Managers (Levels 13 – 16)	120	93	27	22.50%	6

Number of posts include 114 permanent posts and 6 contract posts

4.7. Filling of Senior Management Service (SMS) Posts in DPWI

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

Table 4.7.1 DPW SMS post information as on 31 March 2024

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	2	1	50	1	50
Salary Level 16	2	0	0	2	100
Salary Level 15	8	5	6%	3	38
Salary Level 14	29	23	79	6	21
Salary Level 13	76	62	82	14	18
Total	**117**	**91**	78	**26**	22

Table 4.7.2 PMTE SMS post information as on 31 March 2024

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	0	0	0	0	0
Salary Level 16	1	1	100	0	0
Salary Level 15	6	4	67	2	33
Salary Level 14	33	24	73	9	27
Salary Level 13	84	62	74	22	26
Total	**124**	**91**	**73**	**33**	**27**

Table 4.7.3 DPW SMS post information as on 30 September 2024

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	1	0	0	1	100
Salary Level 15	9	6	6%	3	33
Salary Level 14	29	22	76	7	24
Salary Level 13	75	54	72	21	28
Total	**115**	**83**	72	**32**	28

Table 4.7.4 PMTE SMS post information as on 30 September 2024

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	0	0	0	0	0
Salary Level 16	1	1	100	0	0
Salary Level 15	6	4	67	2	33
Salary Level 14	31	22	71	9	29
Salary Level 13	84	62	74	22	26
Total	**122**	**89**	73	**33**	27

Table 4.7.5 Advertising and filling of SMS posts for the period 1 April 2024 and 31 March 2025

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months

Director-General/ Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	0	0	0
Salary Level 14	0	0	0
Salary Level 13	0	0	0
Total	**0**	**0**	**0**

Table 4.7.6 Reasons for not having complied with the filling of funded vacant SMS – Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2024 and 31 March 2025

Reasons for vacancies not advertised within six months
Cost Containment Measures

Reasons for vacancies not filled within twelve months
Cost Containment Measures

Notes: In terms of the Public Service Regulations Chapter 1, Part VII C.1A.3, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes.

Table 4.7.7 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2024 and 31 March 2025

Reasons for vacancies not advertised within six months
Cost Containment Measures

Reasons for vacancies not filled within six months
Cost Containment Measures

Notes: In terms of the Public Service Regulations Chapter 1, Part VII C.1A.2, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes. In the event of non-compliance with this regulation, the relevant executive authority or head of department must take appropriate disciplinary steps in terms of section 16A(1) or (2) of the Public Service Act.

4.8. Job Evaluation in DPWI

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

Salary Band	Number of Posts	Number of posts	% of Posts Evaluated	Number of Posts	% of Upgraded Posts	Number of Posts Downgraded	% of Downgraded Posts Evaluated

		Evaluated		Upgraded	Evaluated		
Skilled (Levels 3-5)	131	0	0.00	0	0.00	0	0.00
Highly Skilled Production (Levels 6-8)	196	3	1.50	0	0.00	0	0.00
Highly Skilled Supervision (Levels 9-12)	325	10	3.10	0	0.00	0	0.00
Senior Management Service Band A	75	15	20.00	0	0.00	0	0.00
Senior Management Service Band B	27	4	14.80	0	0.00	0	0.00
Senior Management Service Band C	9	0	0.00	0	0.00	0	0.00
Senior Management Service Band D	3	0	0.00	0	0.00	0	0.00
Other	1	0	0.00	0	0.00	0	0.00
Contract (Levels 1-2)	1	0	0.00	0	0.00	0	0.00
Contract (Levels 3-5)	7	0	0.00	0	0.00	0	0.00
Contract (Levels 6-8)	2	0	0.00	0	0.00	0	0.00
Contract (Levels 9-12)	7	0	0.00	0	0.00	0	0.00
Contract Band A	3	0	0.00	0	0.00	0	0.00
Contract Band B	1	0	0.00	0	0.00	0	0.00
Contract Band D	2	0	0.00	0	0.00	0	0.00
TOTAL	**790**	**32**	**4.10**	**0**	**0.00**	**0**	**0.00**

The following table provides a summary of the number of employees whose positions were upgraded due to their post being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

Table 4.8.1 Profile of employees whose positions were upgraded due to their posts being upgraded

Beneficiaries	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0
Employees with a Disability	0	0	0	0	0

The following table summarizes the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

Table 4.8.2 Employees with salary levels higher than those determined by job evaluation by occupation

Occupation	Number of Employees	Job Evaluation Level	Remuneration Level	Reason for Deviation
None				
TOTAL				

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

Table 4.8.3 Profile of employees who have salary levels higher than those determined by job evaluation

Beneficiaries	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**
Employees with a Disability	0	0	0	0	0

4.9. Employment Changes in both DPWI and PMTE

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

Table 4.9.1 Annual turnover rates by salary band

Salary Band	Employment at Beginning of Period (April 2024)	Appointments	Terminations	Turnover Rate %
Skilled (Levels 3-5)	117	0	3	2.60
Highly Skilled Production (Levels 6-8)	178	1	10	5.60
Highly Skilled Supervision (Levels 9-12)	282	8	14	5.00
Senior Management Service Band A	50	7	4	8.00
Senior Management Service Band B	21	2	0	0.00
Senior Management Service Band C	4	0	0	0.00
Senior Management Service Band D	2	1	0	0.00
Contract (Level 1-2)	0	1	0	0.00
Contract (Levels 3-5)	9	6	8	88.90
Contract (Levels 6-8)	4	0	2	50.00
Contract (Levels 9-12)	11	4	8	72.70
Contract Band A	4	4	6	150.00
Contract Band B	1	2	2	200.00
Contract Band C	2	0	2	100.00
Contract Band D	1	1	0	0.00
TOTAL	**686**	**37**	**59**	**8.60**

Table 4.9.2 Annual turnover rates by critical occupation

Occupation	Employment at Beginning of Period (April 2024)	Appointments	Terminations	Turnover Rate %
ADMINISTRATION CLERKS	0	3	2	0.00
ADMINISTRATIVE AND GOVERNANCE POLICY MANAGER	0	1	0	0.00
ADMINISTRATIVE RELATED	97	0	7	7.20
AUTHORS JOURNALISTS AND OTHER WRITERS	1	0	0	0.00
AUXILIARY AND RELATED WORKERS	2	0	0	0.00
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	3	0	3	100.00
CLERICAL SUPPLEME.WORKERS NOT ELSEWHERE CLASSIFIED	0	2	0	0.00
CLIENT INFORM CLERKS (SWITCHB RECEPT INFORM CLERKS)	1	0	0	0.00
COMMUNICATION AND INFORMATION RELATED	4	0	0	0.00
COMMUNITY DEVELOPMENT MANAGER	0	2	0	0.00
COMPUTER PROGRAMMERS.	2	0	0	0.00
COMPUTER SYSTEM DESIGNERS AND ANALYSTS.	7	0	0	0.00
COMPUTERS QUALITY ASSURANCE ANALYST	1	0	0	0.00
FILING AND REGISTRY CLERK	0	1	0	0.00
FINANCE AND ECONOMICS RELATED	5	0	0	0.00
FINANCE CLERK	0	1	0	0.00
FINANCIAL AND RELATED PROFESSIONALS	5	0	0	0.00
FINANCIAL CLERKS AND CREDIT CONTROLLERS	52	0	2	3.80
FOOD TRADE ASSISTANT	0	1	0	0.00
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS	6	0	1	16.70
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER	1	0	0	0.00
HUMAN RESOURCE CLERK	1	0	0	0.00
HUMAN RESOURCE MANAGER	0	1	0	0.00

Occupation	Employment at Beginning of Period (April 2024)	Appointments	Terminations	Turnover Rate %
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	11	0	1	9.10
HUMAN RESOURCES CLERKS	25	0	1	4.00
HUMAN RESOURCES RELATED	25	0	2	8.00
INFORMATION TECHNOLOGY & SYSTEMS MANAGER	0	1	0	0.00
INFORMATION TECHNOLOGY RELATED	6	0	0	0.00
INTERNAL AUDIT MANAGER	0	0	1	0.00
LANGUAGE PRACTITIONERS' INTERPRETERS & OTHER COMMUN t	11	0	0	0.00
LIBRARIANS AND RELATED PROFESSIONALS	2	0	0	0.00
MANAGERS NOT ELSEWHERE CLASSIFIED	0	5	2	0.00
MATERIAL-RECORDING AND TRANSPORT CLERKS	25	0	0	0.00
MESSENGERS PORTERS AND DELIVERERS	1	0	0	0.00
MIDD.MANAGER: HUMAN RESOURCE & ORGANISA.DEVEL. RELA Permanent	1	0	0	0.00
MIDDLE MANAGER: ADMINISTRATIVE RELATED	1	3	0	0.00
MIDDLE MANAGER: INTERNAL AUDIT RELATED	0	1	2	0.00
OFFICE CLEANER	0	1	0	0.00
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	114	1	9	7.90
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	42	0	2	4.80
OTHER INFORMATION TECHNOLOGY PERSONNEL.	19	0	0	0.00
OTHER OCCUPATIONS	1	0	0	0.00
POLICY AND PLANNING MANAGERS	0	3	0	0.00
PROGRAMME OR PROJECT MANAGER	3	6	1	33.30
PUBLIC/MEDIA RELATIONS MANAGER	0	1	0	0.00
RECEPTIONIST (GENERAL)	0	2	0	0.00

Occupation	Employment at Beginning of Period (April 2024)	Appointments	Terminations	Turnover Rate %
RISK AND INTEGRITY MANAGER	0	1	0	0.00
RISK MANAGEMENT AND SECURITY SERVICES P	3	0	0	0.00
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	28	0	7	25.00
SECURITY GUARDS	77	0	5	6.50
SECURITY OFFICERS	16	0	0	0.00
SENIOR MANAGERS	84	0	9	10.70
STATE OWNED ENTITIES AND OVERSIGHT MANAGER	0	0	2	0.00
TRADE LABOURERS	1	0	0	0.00
TRADE RELATED	2	0	0	0.00
TOTAL	**686**	**37**	**59**	**8.60**

Notes: *The CORE classification, as prescribed by the DPSA, should be used for completion of this table. The table below identifies the major reasons why staff left the department*.

Table 4.9.3 Reasons why staff left the department

Termination Type	Number	Percentage of Total Terminations	Percentage of Total Employment at the end of the period
Death	7	11.90	1.10
Resignation	27	45.80	4.10
Expiry of contract	21	35.60	3.20
Transfers	1	1.70	0.20
Retirement,	3	5.10	0.50
TOTAL	**59**	**100.00**	**8.90**

Notes: Resignation consists of permanent and contract employees who resigned during 2024/2025 financial year.

Table 4.9.4 Promotions by critical occupation

Occupation	Employment at Beginning of Period (April 2024)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
ADMINISTRATION CLERKS	0	0	0.00	2	0.00
ADMINISTRATION OFFICER	0	0	0.00	12	0.00
ADMINISTRATIVE RELATED	97		0.00	6	6.20
ARCHIVES MANAGER	0	0	0.00	2	0.00
AUTHORS JOURNALISTS AND OTHER WRITERS	1	0	0.00	0	0.00
AUXILIARY AND RELATED WORKERS	2	0	0.00	0	0.00
CALL OR CONTACT CENTRE CLERK	0	0	0.00	1	0.00
CHIEF FINANCIAL OFFICER	0	0	0.00	1	0.00
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	3	0	0.00	0	0.00
CLERICAL SUPPLEME.WORKERS NOT ELSEWHERE CLASSIFIED	0	0	0.00	10	0.00
CLIENT INFORM CLERKS (SWITCHB RECEPT INFORM CLERKS)	1	0	0.00	0	0.00
COMMUNICATION AND INFORMATION RELATED	4	1	25.00	0	0.00
COMMUNICATION AND MARKETING MANAGER	0	0	0.00	1	0.00
COMMUNICATION COORDINATOR	0	0	0.00	3	0.00
COMMUNICATION STRATEGIST	0	0	0.00	1	0.00
COMPUTER NETWORK AND SYSTEMS ENGINEER	0	0	0.00	1	0.00
COMPUTER PROGRAMMERS.	2	0	0.00	0	0.00
COMPUTER SYSTEM DESIGNERS AND ANALYSTS.	7	0	0.00	0	0.00
COMPUTERS QUALITY ASSURANCE ANALYST	1	0	0.00	0	0.00
DATA ENTRY CLERK	0	0	0.00	14	0.00
ECONO.GROWTH&PROMOTION & GLOBAL RELATIONS MANAGER	0	0	0.00	1	0.00
ETHICS OFFICER	0	0	0.00	1	0.00
FILING AND REGISTRY CLERK	0	0	0.00	3	0.00

Occupation	Employment at Beginning of Period (April 2024)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
FINANCE AND ECONOMICS RELATED	5	0	0.00	0	0.00
FINANCE CLERK	0	0	0.00	8	0.00
FINANCE MANAGER	0	0	0.00	3	0.00
FINANCIAL ACCOUNTANT	0	0	0.00	1	0.00
FINANCIAL AND RELATED PROFESSIONALS	5	0	0.00	0	0.00
FINANCIAL CLERKS AND CREDIT CONTROLLERS	52	0	0.00	2	3.80
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS	6	0	0.00	0	0.00
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER	1	0	0.00	0	0.00
HEAD OF NATIONAL GOVERNMENT COMPONENT	0	1	0.00	0	0.00
HUMAN RESOURCE CLERK	1	0	0.00	18	1 800.00
HUMAN RESOURCE MANAGER	0	0	0.00	3	0.00
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	11	0	0.00	0	0.00
HUMAN RESOURCES CLERKS	25	0	0.00	1	4.00
HUMAN RESOURCES RELATED	25	0	0.00	0	0.00
INDUSTRIAL/ LABOUR RELATIONS OFFICER	0	0	0.00	2	0.00
INFORMATION TECHNOLOGY RELATED	6	0	0.00	0	0.00
INTERNAL AUDIT MANAGER	0	0	0.00	5	0.00
INTERNAL AUDITOR	0	0	0.00	8	0.00
IT ARCHITECT	0	0	0.00	1	0.00
IT SECURITY OFFICER	0	0	0.00	1	0.00
LANGUAGE PRACTITIONERS' INTERPRETERS & OTHER COMMUN	11	0	0.00	0	0.00
LEGAL ADMINISTRATION OFFICER	0	0	0.00	1	0.00

Occupation	Employment at Beginning of Period (April 2024)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
LIBRARIAN	0	0	0.00	1	0.00
LIBRARIANS AND RELATED PROFESSIONALS	2	0	0.00		0.00
LINGUIST		0	0.00	1	0.00
MANAGERS NOT ELSEWHERE CLASSIFIED		0	0.00	7	0.00
MATERIAL-RECORDING AND TRANSPORT CLERKS	25	0	0.00	2	8.00
MESSENGERS PORTERS AND DELIVERERS	1	0	0.00	0	0.00
MIDD.MANAGER: HUMAN RESOURCE & ORGANISA.DEVEL. RELATIONS	1	0	0.00	4	400.00
MIDDLE MANAGER: ADMINISTRATIVE RELATED	1	0	0.00	15	1 500.00
MIDDLE MANAGER: FINANCE AND ECONOMICS RELATED	0	0	0.00	8	0.00
MIDDLE MANAGER: INFORMATION TECHNOLOGY RELATED	0	0	0.00	6	0.00
MIDDLE MANAGER: INTERNAL AUDIT RELATED	0	0	0.00	9	0.00
MIDDLE MANAGER: SOCIAL SCIENCE RELATED	0	0	0.00	1	0.00
MIDDLE MANAGER: COMMUNICATION & INFORMATION RELATED	0	0	0.00	4	0.00
ORGANISATIONAL DEVELOPMENT PRACTITIONER	0	0	0.00	1	0.00
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	114	0	0.00	2	1.80
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	42	0	0.00	2	4.80
OTHER CLERICAL SUPPORT WORKERS		0	0.00	13	0.00
OTHER INFORMATION TECHNOLOGY PERSONNEL.	19	0	0.00	0	0.00
OTHER MIDDLE MANAGER	0	0	0.00	17	0.00
OTHER OCCUPATIONS	1	0	0.00	-	0.00
PAYROLL CLERK	0	0	0.00	9	0.00

Occupation	Employment at Beginning of Period (April 2024)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
PERSONAL ASSISTANT	0	0	0.00	14	0.00
POLICY AND PLANNING MANAGERS	0	1	0.00	5	0.00
PROFESSIONALS NOT ELSEWHERE CLASSIFIED	0		0.00	1	0.00
PROGRAMME OR PROJECT MANAGER	3	2	66.70	43	1433.30
REGISTRY AND MAILING CLERK	0	0	0.00	1	0.00
RISK AND INTEGRITY MANAGER	0	0	0.00	2	0.00
RISK MANAGEMENT AND SECURITY SERVICES	3	-	0.00	0	0.00
RISK OFFICER	0	0	0.00	2	0.00
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	28	0	0.00	1	3.60
SECURITY GUARDS	77	0	0.00	1	1.30
SECURITY OFFICER	0	0	0.00	68	0.00
SECURITY OFFICERS	16	0	0.00	0	0.00
SECURITY/ REINTEGRATION MANAGER	0	0	0.00	1	0.00
SENIOR MANAGERS	84	0	0.00	1	1.20
SOCIAL WORKER	0	0	0.00	1	0.00
SOFTWARE DEVELOPER	0	0	0.00	1	0.00
STATE OWNED ENTITIES AND OVERSIGHT MANAGER	0	0	0.00	12	0.00
STRATEGY/MONITORING &EVALUATION MANAGER	0	0	0.00	2	0.00
SYSTEMS DEVELOPER	0	0	0.00	1	0.00
TELECOMMUNICATIONS TECHN.OFFICER/TECHNOLOGIST	0	0	0.00	4	0.00
TRADE LABOURERS	1	0	0.00	0	0.00
TRADE RELATED	2	0	0.00	0	0.00
TRAINING MANAGER	0	0	0.00	8	0.00

Occupation	Employment at Beginning of Period (April 2024)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
TOTAL	**686**	**5**	**0.70**	**384**	**56.00**

Notes: In this table promotion includes promotion from one level to the next and progression to a higher notch in the same salary level.

Table 4.9.5 Promotions by salary band

Salary Band	Employment at Beginning of Period (April 2024)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
Skilled (Levels 3-5)	117	0	0.00	99	84.60
Highly Skilled Production (Levels 6-8)	178	0	0.00	86	48.30
Highly Skilled Supervision (Levels 9-12)	282	1	0.40	164	58.20
Senior Management (Levels 13-16)	77	4	5.20	35	45.50
Contract (Levels 3-5)	9	0	0.00	0	0.00
Contract (Levels 6-8)	4	0	0.00	0	0.00
Contract (Levels 9-12)	11	0	0.00	0	0.00
Contract (Levels 13-16)	8	0	0.00	0	0.00
TOTAL	**686**	**5**	**0.70**	**384**	**56.00**

Notes: In this table promotion includes promotion from one level to the next and progression to a higher notch in the same salary level.

4.10. Employment Equity in both DPWI and PMTE

Table 4.10.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as at 31 March 2025

Occupational Categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
SENIOR OFFICIALS AND MANAGERS	15	0	0	0	8	0	0	0	23
PROFESSIONALS	8	0	0	0	10	0	0	1	19
TECHNICIANS AND ASSOCIATE PROFESSIONALS	8	1	0	0	12	0	0	1	22
CLERKS	16	0	0	0	18	0	0	1	35
SERVICE SHOP AND MARKET SALES WORKERS	0	0	0	0	1	0	0	0	1

CLERICAL SUPPORT WORKERS	31	2	0	0	95	2	1	4	135
ELEMENTARY	0	0	0	0	2	1	0	0	3
MANAGERS	132	3	1	8	121	5	2	4	276
PROFESSIONALS	12	0	0	0	28	0	0	0	40
PROTECT RESCUE SOCIAL HEALTH SCIENCE SUPPORT PERS	42	0	0	0	31	0	0	0	73
SECURITY & CUSTODIAN PERSONNEL	1	0	0	0	-0	0	0	0	1
TECHNICIANS & ASSOCIATE TECHNICAL OCCUPATIONS	7	0	0	0	27	0	0	1	35
Total	**272**	**6**	**1**	**8**	**353**	**8**	**3**	**12**	**663**
Employees with disabilities	0	1	0	1	2	0	0	0	4

Notes. This table includes only Contract and Permanent (Excludes Learners and Periodic Appointments)

Table 4.10.2 Total number of employees (including employees with disabilities) in each of the following occupational bands on 31 March 2025

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	4	0	0	1	1	1	0	0	7
Senior Management	41	1	1	1	33	1	1	1	80
Professionally qualified and experienced specialists and mid-management	125	3	0	1	132	3	1	5	270
Skilled technical and academically qualified workers, junior management, supervisors, foremen	45	2	0	0	112	1	1	5	166
Semi-skilled and discretionary decision making	50	0	0	0	64	2	0	0	116
Not Available	0	0	0	0	1	0	0	0	1
Contract (Top Management)	1	0	0	1	0	0	0	0	2
Contract (Senior Management)	1	0	0	3	0	0	0	0	4
Contract (Professionally Qualified)	2	0	0	1	3	0	0	1	7
Contract (Skilled Technical)	1	0	0	0	1	0	0	0	2
Contract (Semi-Skilled)	2	0	0	0	5	0	0	0	7
Contract (Unskilled)	0	0	0	0	1	0	0	0	1
TOTAL	**272**	**6**	**1**	**8**	**353**	**8**	**3**	**12**	**663**

Table 4.10.3 Recruitment

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	1		0	0	0	1
Senior Management	6	1	0	0	2	0	0	0	9
Professionally qualified and experienced specialists and mid-management	4	0	0	0	4	0	0	0	8
Skilled technical and academically qualified workers, junior management, supervisors, foremen	1	0	0	0	0	0	0	0	1
Contract (Top Management)	0	0	0	1	0	0	0	0	1
Contract (Senior Management)	3	0	0	3	0	0	0	0	6
Contract (Professionally qualified)	0	0	0	1	2	0	0	1	4
Contract (Skilled technical)	2	0	0	0	4	0	0	0	6
Contract (Semi-skilled)	0	0	0	0	1	0	0	0	1
Total	**16**	**1**	**0**	**6**	**13**	**0**	**0**	**1**	**37**
Employees with disability	0	1	0	0	0	0	0	0	1

Table 4.10.4 Promotion (Includes promotion to salary level and progressions to another notch within the Salary Level)

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	3	0	0	0	0	1	0	0	4

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management	20	0	0	0	13	1	1	0	35
Professionally qualified and experienced specialists and mid-management	76	1	0	0	87	0	1	0	165
Skilled technical and academically qualified workers, junior management, supervisors, foremen,	22	1	0	0	55	1	1	6	86
Semi-skilled and discretionary decision making	42	0	0	0	56	1	0	0	99
TOTAL	**163**	**2**	0	0	**211**	**4**	**3**	**6**	**389**
Employees with disability	0	0	0	0	0	0	0	0	0

Notes: In this table promotion includes promotion from one level to the next and progression to a higher notch in the same salary level.

Table 4.10.5 Terminations

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management	3	0	0	0	1	0	0	0	4
Professionally qualified and experienced specialists and mid-management	4	0			10	0	0	0	14
Skilled technical and academically qualified workers, junior management, supervisors, foremen	5	1			2	0	1	1	10
Semi-skilled and discretionary decision making	1	0			2				3
Contract (Top Management)	2	0			0				2
Contract (Senior Management)	4	1		1	2				8
Contract (Professionally qualified)	4	1		0	3				8

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Contract (Skilled Technical)	2			0	0				2
Contract (Semi-skilled)	2			0	6				8
Total	**27**	**3**	**0**	**1**	**26**	**0**	**1**	**1**	**59**

Table 4.10.6 Disciplinary action in DPWI

Disciplinary Action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Suspension From Work Without Pay	2	0	0	0	0	0	0	0	2
Final Written Warning	4	0	0	0	0	0	0	0	4
Written Warning	6	0	0	1	1	0	0	0	8
Verbal Warning	1	0	0	0	0	0	0	0	1
Cases Withdrawn/ Not Guilty/Cases Not Pursued Due To Inconclusive Evidence	1	0	0	0	0	0	0	0	1
Resignation	1	0	0	0	0	0	0	0	1
Deceased	1	0	0	0	0	0	0	0	1
TOTAL	**16**	0	0	**1**	**1**	0	0	0	**18**

Table 4.10.7 Skills development in DPWI

Occupational Categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, Senior Officials and Managers	19	0	0	0	13	0	2	0	34
Professionals	35	1	1	0	41	1	3	0	82
Technicians and Associate Professionals	1	0	0	0	2	0	0	0	3
Clerks	50	0	0	0	214	0	2	0	266
Service and Sales Workers	1	0	0	0	0	0	0	0	1
Skilled Agriculture and Fishery Workers	0	0	0	0	0	0	0	0	0
Craft and related Trades Workers	0	0	0	0	0	0	0	0	0
Plant and Machine Operators and Assemblers	0	0	0	0	0	0	0	0	0
Elementary Occupations	0	0	0	0	0	0	0	0	0

Employees with disabilities	0	0	0	0	3	0	2	0	5
TOTAL	**106**	**1**	**1**	**0**	**270**	**1**	**7**	**0**	**386**

4.11. Signing Performance Agreements by SMS Members

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

Table 4.11.1 Signing of Performance Agreements by SMS members as on 31 May 2024

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	1	1	100
Salary Level 16	1	1	1	100
Salary Level 15	9	9	9	100
Salary Level 14	44	44	44	100
Salary Level 13	118	118	115	94.5
Total	**173**	**173**	**170**	**98.26**

SMS at the time of PA submission, 31 May 2024. This table covers both DPWI and PMTE

Notes

In the event of a National or Provincial election occurring within the first three months of a financial year all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example, if elections took place in April, the reporting date in the heading of the table above should change to 31 July 2020.

Table 4.11.2 Reasons for not having concluded Performance Agreements for all SMS members as on 31 March 2025

Reasons
Incapacity leaves, grievance and non-compliance cases

Table 4.11.3 Disciplinary steps taken against SMS members for not having concluded Performance Agreement as on 31 March 2025

Reasons
Warning letter for non-compliance prepared

4.12. Performance Rewards in DPWI

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

Table 4.12.1 Performance Rewards by race, gender and disability

Demographics	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
African, Female	0	351	0	0	0
African, Male	0	272	0	0	0
Asian, Female	0	3	0	0	0
Asian, Male	0	1	0	0	0
Coloured, Female	0	8	0	0	0
Coloured, Male	0	5	0	0	0
Total Blacks, Female	0	362	0	0	0
Total Blacks, Male	0	278	0	0	0
White, Female	0	12	0	0	0
White, Male	0	7	0	0	0
Employees with a disability	0	4	0	0	0
TOTAL	**0**	**663**	**0**	**0**	**0**

Notes: No performance bonuses were paid only pay progression

Table 4.12.2 Performance Rewards by salary band for personnel below Senior Management Service

Salary Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R')
Skilled (Levels 3-5)	0	116	0.00	0	
Highly Skilled Production (Levels 6-8)	0	166	0.00	0	
Highly Skilled Supervision (Levels 9-12)	0	270	0.00	0	
Other	0	1	0.00	0	
	0	1	0.00	0	
Contract (Levels 3-5)	0	7	0.00	0	
Contract (Levels 6-8)	0	2	0.00	0	
Contract (Levels 9-12)	0	7	0.00	0	
TOTAL	0	**570**	**0.00**	0	

Notes. *The CORE classification, as prescribed by the DPSA, should be used for completion of this table. Only levels below SMS are reflected in this table.*

Table 4.12.3 Performance-related rewards (cash bonus), by salary band for Senior Management Service

SMS Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R')	% of SMS Bill	Personnel Cost SMS (R'000)

Band A	0	61	0	0	0	0	84 032
Band B	0	23	0	0	0	0	37 877
Band C	0	5	0	0	0	0	9 525
Band D	0	4	0	0	0	0	8 272
TOTAL	0	**93**	0	0	0	0	**139 707**

'No SMS received performance bonuses only pay progression

4.13. Foreign Workers in DPWI

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

Table 4.13.1 Foreign workers by salary band

Salary Band	1 April 2024		31 March 2025		Change	
	Number	%age of Total	Number	% of Total	Number	% Change
None	0	0	0	0	0	0

Table 4.13.2 Foreign workers by major occupation

Major Occupation	1 April 2024		31 March 2025		Change	
	Number	%age of Total	Number	% of Total	Number	% Change
None	0	0	0	0	0	0

4.14. Leave utilisation in DPWI

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

Table 4.14.1 Sick leave

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)	Number of days with Medical Certification
Contract (Levels 3-5)	14	0.00	4	0.90	4	15	-
Contract (Levels 6-8)	3	33.30	2	0.50	2	6	1
Contract (Levels 9-12)	23	0.00	4	0.90	6	64	-
Skilled (Levels 3-5)	663	58.70	83	18.70	8	656	389
Highly skilled production (Levels 6-8)	821	20.70	126	28.40	7	1 594	170

Highly skilled supervision (Levels 9-12)	1 199	28.60	177	40.00	7	4 258	343
Senior management (Levels 13-16)	336	48.80	47	10.60	7	1 779	164
TOTAL	**3 059**	**34.90**	**443**	**100.00**	**7**	**8 372**	**1 067**

Table 4.14.2 Disability leave (temporary and permanent)

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)	Total number of days with medical certification
Skilled (Levels 3-5)	16	100.00	1	33.30	16	18	16
Highly skilled production (Levels 6-8)	74	100.00	1	33.30	74	140	74
Senior management (Levels 13-16)	61	100.00	1	33.30	61	319	61
TOTAL	**151**	**100.00**	**3**	**100.00**	**50**	**478**	**151**

The table below summarizes the utilization of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

Table 4.14.3 Annual Leave

Salary Band	Total Days Taken	Average days per Employee	Number of Employees who took leave
Contract (Levels 3-5)	54	9	6
Contract (Levels 6-8)	29	10	3
Contract (Levels 9-12)	136	17	8
Contract (Levels 13-16)	23	4	6
Contract Other	10	10	1
Skilled (Levels 3-5)	2 481	21	117
Highly skilled production (Levels 6-8)	4 041	22	181
Highly skilled supervision (Levels 9-12)	6 636	23	286
Senior management (Levels 13-16)	1 783	20	88
TOTAL	**15 193**	**22**	**696**

Table 4.14.4 Capped leave

Salary Band	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at end of period	Number of Employees who took Capped leave	Total number of capped leave available at end of period	Number of Employees with capped leave at end of period

Skilled (Levels 3-5)	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	22	0	357	16
Highly skilled supervision (Levels 9-12)	0	0	23	0	701	30
Senior management (Levels 13-16)	0	0	42	0	673	16
TOTAL	**0**	**0**	**28**	**0**	**1 732**	**62**

The following table summarise payments made to employees because of leave that was not taken.

Table 4.14.5 Leave pay-outs

Reason	Total Amount (R'000)	Number of Employees	Average Payment per Employee (R)
ANNUAL - DISCOUNTING WITH RESIGNATION	1 129	26	43 423
ANNUAL - DISCOUNTING: UNUSED VACATION CREDITS	1 009	35	28 829
ANNUAL - GRATUITY: DEATH/RETIREMENT/MEDICAL RETIREMENT	534	7	76 286
CAPPED - GRATUITY: DEATH/RETIREMENT/MEDICAL RETIREMENT	899	3	299 667
TOTAL	**3 571**	**71**	**50 296**

4.15. HIV/AIDS & Health Promotion Programmes

Table 4.15.1 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
Mobility and migration are heavily linked to the spread of HIV particularly in relation to the construction sector. Migrant workers are regarded as a key population, as per the National Strategic Plan on HIV, TB&STIs.	As a custodian and main player in the construction sector, the National Department of Public Works and Infrastructure (DPWI) developed and implemented an HIV/AIDS strategy for the construction sector to protect and support the industry's workforce

Table 4.15.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		Acting Chief Director: HRM

2. Does the department have a dedicated unit, or have you designated specific staff members to promote health and the wellbeing of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available.	Yes		Wellness and HIV/AIDS Advocacy Units are established within HRM Chief Directorate to promote Health & Wellness and awareness on HIV, STI and TB. Three staff members in Head Office and 10 Wellness Practitioners in the regions.
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of the programme.	Yes		Proactive programs addressing health and wellness issues are in place, and Re - active programs are available to address psycho-social issues for all employees.
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	Yes		Eleven regions and Head Office have Wellness & HIV/AIDS committees which serve as sports committees as well. Wellness Practitioners serve as Coordinators.
5. Has the department reviewed the employment policies and practices of your department to ensure that these do not unfairly discriminate against employees based on their HIV status? If so, list the employment policies/practices so reviewed.	Yes		Health & Productivity management policy, Wellness policy and draft HIV, TB & STI management policy are in place to address issues of human rights and fair labour practices.
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		A human rights-based approach to HIV management is in place. Key elements include Advocacy, awareness, education and peer education.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Yes		The department collaborates with GEMS, DoH & NGOs in providing on - site opportunities for HIV Counselling and Testing, including TB screenings.
8. Has the department developed measures/indicators to monitor & evaluate the impact of your health promotion programme? If so, list these measures/indicators.	Yes		The Departmental Strategic Operational Plans on (HIV, TB & STI, Wellness management, Health & Productivity management & SHERQ) are developed and submitted to DPSA on an annual basis. They are used as guidelines for monitoring and evaluation. Indicators include utilization rate of Health and Wellness services. Number of wellness events, workshops and trainings conducted, Sick leave utilisation, Number of employees tested on HIV, Number of employees screened on TB.

4.16. Labour Relations in both DPWI and PMTE

Table 4.16.1 Collective agreements

Subject Matter	Date
None	

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

Table 4.16.2 Misconduct and disciplinary hearings finalized

Outcomes of disciplinary hearings	Number	Percentage (%) of Total	Total
SUSPENSION FROM WORK WITHOUT PAY	2	11.00	2
FINAL WRITTEN WARNING	4	22.00	4
WRITTEN WARNING	8	44.00	8
VERBAL WARNING	1	5.00	1
CASE WITHDRAWN/ NOT PURSUED DUE TO INCONCLUSIVE EVIDENCE	1	5.00	1
RESIGNATION	1	5.00	1
RETIRED	0	0.00	0
DECEASED	1	5.00	1
TOTAL	**18**	**100**	**18**

Table 4.16.3 Types of misconduct addressed at disciplinary hearings

Type of misconduct	Number	Percentage of Total (%)	Total
NON-COMPLIANCE WITH SCM/PROCUREMENT PROCEDURES	3	16.6	3
NEGLIGENCE / DERELICTION OF DUTIES	4	22.00	4
ABSENT FROM WORK WITHOUT REASON OR PERMISSION	5	27.00	5
FAILURE TO CARRY-OUT LAWFUL INSTRUCTIONS/INSUBORDINATION	2	11.00	2
ASSAULT	1	5.00	1
DISPLAYED DISRESPECT, DISGRACEFUL AND UNACCEPTABLE BEHAVIOUR	3	16.6	3
TOTAL	**18**	**100**	**18**

Table 4.16.4 Grievances logged

Number of grievances addressed	Number	% of Total	Total
Not resolved	0	0	0
Resolved	9	100	9
TOTAL	**9**	**100**	**9**

Table 4.16.5 Disputes logged

Number of disputes addressed	Number	% of total
Upheld	3	50
Dismissed	3	50
Total	6	100

Table 4.16.6 Strike actions

Strike Actions	
None	**0**

Table 4.16.7 Precautionary suspensions

Number of Employees placed on precautionary suspension	Number of employees whose suspension exceeded 30 days	Cost (R) of suspensions
Number of Employees whose suspension exceeded 30 days	4.00	R2 405 749.05
Number of Employees whose suspension did not exceed 30 days	0.00	0
TOTAL:	**4.00**	**R2 405 749.05**

4.17. Skills development in DPWI

This section highlights the efforts of the department regarding skills development.

Table 4.17.1: Training needs identified

Occupational Categories	Gender	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	334	6	340

Occupational Categories	Gender	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Male	196	4	200
Professionals	Female	338	22	360
Professionals	Male	222	28	250
Technicians and associate professionals	Female	142	8	150
Technicians and associate professional	Male	93	7	100
Clerks	Female	416	79	495
Clerks	Male	316	45	361
Service and sales workers	Female	36	4	40
Service and sales workers	Male	96	5	101
Skilled agriculture and fishery workers	Female	0	0	0
Skilled agriculture and fishery workers	Male	0	0	0
Craft and related trades workers	Female	0	0	0
Craft and related trades workers	Male	0	0	0
Plant and machine operators and assemblers	Female	0	0	0
Plant and machine operators and assemblers	Male	0	0	0
Elementary occupations	Female	0	0	0
Elementary occupations	Male	0	0	0
Gender sub totals	Female	**1266**	**119**	**1385**
Gender sub totals	Male	**923**	**89**	**1012**
TOTAL		**2189**	**208**	**2397**

Table 4.17.2 Training provided for the period

Occupational Categories	Gender	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	12	3	15
Legislators, senior officials and managers	Male	14	5	19
Professionals	Female	35	10	45
Professionals	Male	26	11	37
Technicians and associate professionals	Female	2	0	2
Technicians and associate professional	Male	1	0	1
Clerks	Female	189	28	217
Clerks	Male	43	6	49
Service and sales workers	Female	0	0	0
Service and sales workers	Male	1	0	1
Skilled agriculture and fishery workers	Female	0	0	0
Skilled agriculture and fishery workers	Male	0	0	0
Craft and related trades workers	Female	0	0	0
Craft and related trades workers	Male	0	0	0
Plant and machine operators and assemblers	Female	0	0	0
Plant and machine operators and assemblers	Male	0	0	0
Elementary occupations	Female	0	0	0
Elementary occupations	Male	0	0	0
Gender sub totals	**Female**	**238**	**41**	**279**
Gender sub totals	**Male**	**85**	**22**	**107**
TOTAL		**323**	**63**	**386**

Table 4.18 Injury on duty in DPWI

Nature of injury on duty	Number	% of total
Required basic medical attention only	1	100.00

Temporary Total Disablement	0	0.00
Permanent Disablement	0	0.00
Fatal	0	0.00
Total	**1**	**100.00**

Table 4.19 Report on consultant appointments using appropriated funds

Project Title:	Total number of consultants that worked on the project:	Duration	Contract value in Rand:
0	0	0	0

HUMAN RESOURCE INFORMATION: PMTE

4.1 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 4.1.1 Personnel expenditure by programme

Programme	Total Voted Expenditure (R'000)	Compensation of Employees Expenditure (R'000)	Training (R'000)	Compensation of Employees as percent of Total Expenditure	Average Compensation of Employees Cost per Employee (R'000)	Employment
Administration	656 284	656 279	9 885	100	518	1 268
Construction Project Management	352 088	352 082	-	100	941	374
Facilities Management Services	820 796	869 560	10	106	297	2 929
Real Estate Information And Registry Services	68 567	68 563	-	100	659	104

Real Estate Investment Services	157 080	157 078	-	100	898	175
Real Estate Management Services	143 082	143 081	-	100	715	200
Total	**2 197 897**	**2 246 643**	**9 895**	**102**	**4 028**	**5 049**

Note: In table 4.1.1 to 4.1.4 Employment includes permanent employees and employees in positions additional to the establishment includes all employees, even those not carried against a post e.g. periodic appointment, etc. Periodic appointments and abnormal appointments is how PERSAL identifies the nature of appointment of employees who are paid a stipend/time sheets for example NYS Learners, Leaners, etc. Compensation of Employees in table 4.1.1 is based on SAGE information for Cost of Employees. Tables 4.1.2 to 4.1.4 is based only on PERSAL information only.

Table 4.1.2 Personnel costs by salary band

Salary Bands	Compensation of Employees Cost including Transfers (R'000)	Percentage of Employee Cost including Transfers	Average Compensation Cost per Employee (R)	Number of Employees
Lower skilled (Levels 1-2)	64 810	2.80	229 011	283
Skilled (Levels 3-5)	525 494	23.10	307 847	1 707
Highly skilled production (Levels 6-8)	582 753	25.60	538 589	1 082
Highly skilled supervision (Levels 9-12)	745 216	32.70	993 621	750
Senior management (Levels >= 13)	123 502	5.40	1 452 965	85
Other	692	0.00	692 000	1
Contract (Levels 1–2)	475	0.00	237 500	2
Contract (Levels 3-5)	55 342	2.40	366 503	151
Contract (Levels 6-8)	12 915	0.60	587 045	22
Contract (Levels 9-12)	75 274	3.30	1 158 062	65
Contract (Levels >= 13)	4 911	0.20	1 637 000	3
Contract Other	37 774	1.70	174 880	216
Periodical Remuneration	5 278	0.20	19 797	267
Abnormal Remuneration	21 285	0.90	51 200	415
TOTAL	**2 255 720**	**99.00**	**446 736**	**5 049**

Note: Compensation of Employees including transfer cost is R2 255 720 000. Transfer Cost in terms of PERSAL refers to the payment of Resettlement Cost and Leave Gratuity that is paid on PERSAL but posted against Items in Goods and Services. “Compensation of Employees including Transfers” will include payments for resettlement and leave gratuity. In table 4.1.3 and 4.1.4 Total Personnel Cost including Good & Services refer to Cost of Employees including payments for resettlement, leave gratuity and S&T which is paid through PERSAL but posting against Good and Services Items. 5049 employees include 267 periodically remunerated employees and 415 abnormal appointed employees.

Table 4.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme

Programme	Salaries (R'000)	Salaries as % of Personnel Cost	Overtime (R'000)	Overtime as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass. (R'000)	Medical Ass. as % of Personnel Cost	Total Personnel Cost per Programme (including Good and Services) (R'000)
Administration	519 901	78.60	28 542	4.30	18 637	2.80	37 460	5.70	661 593
Construction Project Management	309 473	85.90	1 339	0.40	5 640	1.60	6 254	1.70	360 112
Facilities Management Services	621 923	70.40	34 428	3.90	46 033	5.20	91 820	10.40	883 563
Real Estate Information And Registry Services	55 505	79.90	5 089	7.30	1 325	1.90	1 809	2.60	69 427
Real Estate Investment Services	133 117	83.50	903	0.60	3 330	2.10	4 584	2.90	159 377
Real Estate Management Services	117 012	80.50	1 987	1.40	4 026	2.80	6 881	4.70	145 435
Total	**1 756 931**	**77.10**	**72 289**	**3.20**	**78 991**	**3.50**	**148 807**	**6.50**	**2 279 507**

Table 4.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band

Salary bands	Salaries (R'000)	Salaries as % of Personnel Cost	Overtime (R'000)	Overtime as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass. (R'000)	Medical Ass. as % of Personnel Cost	Total Personnel Cost per Salary Band (R'000)
Lower Skilled (Levels 1-2)	40 307	62.10	2 301	3.50	5 238	8.10	11 098	17.10	64 866
Skilled (Levels 3-5)	345 471	65.70	24 425	4.60	35 058	6.70	70 746	13.40	526 226
Highly skilled production (Levels 6-8)	432 284	73.70	27 905	4.80	21 933	3.70	44 612	7.60	586 384
Highly skilled supervision (Levels 9-12)	625 712	82.30	12 696	1.70	13 741	1.80	21 099	2.80	760 482
Senior management (Levels 13-16)	108 170	86.00	0	0.00	2 699	2.10	1 126	0.90	125 817
Other	544	78.60	5	0.70	21	3.00	57	8.20	692
Contract (Levels 1-2)	463	97.50	0	0.00	0	0.00	0	0.00	475
Contract (Levels 3-5)	52 640	94.70	2 171	3.90	0	0.00	0	0.00	55 614

Contract (Levels 6-8)	11 570	88.30	1 032	7.90	0	0.00	0	0.00	13 104
Contract (Levels 9-12)	71 483	93.60	1 754	2.30	72	0.10	30	0.00	76 401
Contract (Levels 13-16)	4 364	88.10	0	0.00	229	4.60	38	0.80	4 955
Other Contracts	37 564	99.20	0	0.00	0	0.00	0	0.00	37 885
Periodical Appointments	5 278	100.00	0	0.00	0	0.00	0	0.00	5 279
Abnormal Appointments	21 079	98.80	0	0.00	0	0.00	0	0.00	21 326
TOTAL	**1 756 931**	**77.10**	**72 289**	**3.20**	**78 991**	**3.50**	**148 807**	**6.50**	**2 279 507**

Other contracts are Intern and Learnerships not linked to a specific salary level e.g. paid a stipend

4.2. Employment and Vacancies

The tables in this section summarise the position with regard to employment and vacancies. The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment. This information is presented in terms of three key variables:

- programme
- salary band
- critical occupations

Table 4.2.1 Employment and vacancies by programme

Programme	Number of Posts	Number of Posts Filled	Number of Posts Vacant	Vacancy Rate %	Number of Posts Filled Additional to the Establishment
Administration	1 466	1 241	225	15.30	322
Construction Project Management	426	349	77	18.10	48
Facilities Management Services	2 619	2 299	320	12.20	36
Real Estate Information And Registry Services	114	104	10	8.80	41
Real Estate Investment Services	203	175	28	13.80	8
Real Estate Management Services	239	199	40	16.70	5
Total	**5 067**	**4 367**	**700**	**13.80**	**460**

In tables 4.11 and 4.1.2, 5049 employees are reflected, which includes 267 periodically remunerated employees and 415 abnormal appointed employees. Table 4.2.1 reflects only employees appointed against a post on the establishment of the department.

Table 4.2.2 Employment and vacancies by salary band

Salary Band	Number of Posts	Number of Posts Filled	Number of Posts Vacant	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Lower Skilled (Levels 1-2)	448	283	165	36.80	0
Skilled (Levels 3-5)	1 884	1 707	177	9.40	0
Highly Skilled Production (Levels 6-8)t	1 251	1 082	169	13.50	2
Highly Skilled Supervision (Levels 9-12)	903	750	153	16.90	0
Senior Management (Levels 13-16)	121	85	36	29.80	1
Contract, Other	217	217	0	0.00	216
Contract (Levels 1-2)	2	2	0	0.00	2
Contract (Levels 3-5)	151	151	0	0.00	151
Contract (Levels 6-8)	22	22	0	0.00	22
Contract (Levels 9-12)	65	65	0	0.00	64
Contract (Levels 13-16)	3	3	0	0.00	2
TOTAL	**5 067**	**4 367**	**700**	**13.80**	**460**

"Other" in terms of the salary band refers to employees on HCI programmes for example Water Treatment that are not linked to a specific salary level (referring to salary levels 1 to 16 for the Public Service).

Table 4.2.3 Employment and vacancies by critical occupations

Critical Occupations	Number of Posts	Number of Posts Filled	Number of Posts Vacant	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Architect	43	41	2	4.70	9
Civil Engineer	5	4	1	20.00	4
Construction Project Manager	162	124	38	23.50	7
Electrical Engineer	3	3	0	0.00	0
Mechanical Engineer	3	2	1	33.30	0
Quantity Surveyor	29	27	2	6.90	4

4.3. Filling of Senior Management Service (SMS) Posts

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

Table 4.3.1 SMS post information as on 31 March 2024

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	0	0	0	0	0
Salary Level 16	1	1	100	0	0
Salary Level 15	6	4	67	2	33
Salary Level 14	33	24	73	9	27
Salary Level 13	84	62	74	22	26
Total	**124**	**91**	**73**	**33**	**27**

Table 4.3.2 SMS post information as on 30 September 2024

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	0	0	0	0	0
Salary Level 16	1	1	100	0	0
Salary Level 15	6	4	67	2	33
Salary Level 14	31	22	71	9	29
Salary Level 13	84	62	74	22	26
Total	**122**	**89**	73	**33**	27

Table 4.3.3 Advertising and filling of SMS posts for the period 1 April 2024 and 31 March 2025

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

Table 4.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2024 and 31 March 2025

Reasons for vacancies not advertised within six months

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Reasons for vacancies not filled within twelve months
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Notes: In terms of the Public Service Regulations Chapter 1, Part VII C.1A.3, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2024 and 31 March 2025

Reasons for vacancies not advertised within six months
None

Reasons for vacancies not filled within six months
None

Notes

In terms of the Public Service Regulations Chapter 1, Part VII C.1A.2, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes. In the event of non-compliance with this regulation, the relevant executive authority or head of department must take appropriate disciplinary steps in terms of section 16A(1) or (2) of the Public Service Act.

4.4. Job Evaluation

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

Table 4.4.1 Job Evaluation by salary band

Salary Band	Number of Posts	Number of posts Evaluated	% of Posts Evaluated	Number of Posts Upgraded	% of Upgraded Posts Evaluated	Number of Posts Downgraded	% of Downgraded Posts Evaluated
Lower Skilled (Levels 1-2)	448	0	0.00	0	0.00	0	0.00
Skilled (Levels 3-5)	1 884	34	1.80	0	0.00	0	0.00
Highly Skilled Production (Levels 6-8)	1 251	176	14.10	0	0.00	0	0.00
Highly Skilled Supervision (Levels 9-12)	903	0	0.00	0	0.00	0	0.00

Senior Management Service Band A	83	0	0.00	0	0.00	0	0.00
Senior Management Service Band B	32	0	0.00	0	0.00	0	0.00
Senior Management Service Band C	6	0	0.00	0	0.00	0	0.00
Contract, Other	217	0	0.00	0	0.00	0	0.00
Contract (Levels 1-2)	2	0	0.00	0	0.00	0	0.00
Contract (Levels 3-5)	151	0	0.00	0	0.00	0	0.00
Contract (Levels 6-8)	22	0	0.00	0	0.00	0	0.00
Contract (Levels 9-12)	65	0	0.00	0	0.00	0	0.00
Contract Band A	1	0	0.00	0	0.00	0	0.00
Contract Band B	1	0	0.00	0	0.00	0	0.00
Contract Band D	1	0	0.00	0	0.00	0	0.00
TOTAL	**5 067**	**210**	**4.10**	**0**	**0.00**	**0**	**0.00**

The following table provides a summary of the number of employees whose positions were upgraded due to their post being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

Table 4.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded

Beneficiaries	African	Asian	Coloured	White	Total
Female					
Male					
Total					
Employees with a Disability	0	0	0	0	0

The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

Table 4.4.3 Employees with salary levels higher than those determined by job evaluation by occupation

Occupation	Number of Employees	Job Evaluation Level	Remuneration Level	Reason for Deviation
	0	0	0	0

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

Table 4.4.4 Profile of employees who have salary levels higher than those determined by job evaluation

Beneficiaries	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0
Employees with a Disability	0	0	0	0	0

4.5. Employment Changes

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

Table 4.5.1 Annual turnover rates by salary band

Salary Band	Employment at Beginning of Period (April 2024)	Appointments	Terminations	Turnover Rate %
Lower Skilled (Levels 1-2)	280	13	4	1.40
Skilled (Levels 3-5)	1 792	11	79	4.40
Highly Skilled Production (Levels 6-8)	1 095	11	35	3.20
Highly Skilled Supervision (Levels 9-12)	763	25	40	5.20
Senior Management Service Band A	60	1	3	5.00
Senior Management Service Band B	22	1	2	9.10
Senior Management Service Band C	4	0	0	0.00
Contract, Other	237	241	230	97.00
Contract (Levels 1-2)	4	2	4	100.00
Contract (Levels 3-5)	219	94	157	71.70
Contract (Levels 6-8)	28	20	24	85.70
Contract (Levels 9-12)	95	37	69	72.60
Contract Band A	2	0	1	50.00
Contract Band B	0	1	0	0.00
Contract Band D	1	0	0	0.00
TOTAL	**4 602**	**457**	**648**	**14.10**

The appointment number also includes re-appointments as a result of contract extensions which will reflect on the PERSAL System as appointments. "Other" refers to contract appointments of HCI Programmes (e.g. Presidential Stimulus Programme) employees were not appointed against a specific salary level. Employees are paid a stipend.

Table 4.5.2 Annual turnover rates by critical occupation

Occupation	Employment at Beginning of Period (April 2024)	Appointments	Terminations	Turnover Rate %
Architects Town and Traffic Planner	57	0	7	12.30
Chemical and Physical Science Technicians	21	0	1	4.80
Civil Engineering Technicians	19	0	7	36.80
Construction Project Manager	4	9	8	200.00
Engineers and Related Professionals	121	1	12	9.90
Mechanical Engineer	1	2	0	0.00
Quantity Surveyor	2	7	4	200.00

Notes The CORE classification, as prescribed by the DPSA, should be used for completion of this table. The table below identifies the major reasons why staff left the department.

Table 4.5.3 Reasons why staff left the department

Termination Type	Number	Percentage of Total Terminations	Percentage of Total Employment
Death	19	2.90	0.40
Resignation	114	17.60	2.60
Expiry of contract	432	66.70	9.90
Transfers	1	0.20	0.00
Discharged due to ill health	2	0.30	0.00
Dismissal-misconduct	2	0.30	0.00
Retirement	78	12.00	1.80
Total	**648**	**100.00**	**14.80**

Resignations include employees that resigned from contract positions to assume duty in a permanent position as a result of a recruitment process.

Table 4.5.4 Promotions by critical occupation

Occupation	Employment at Beginning of Period (April 2024)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
Architects Town and Traffic Planners	57	0	0.00	1	1.80
Chemical and Physical Science Technicians	21	0	0.00	1	4.80
Civil Engineering Technicians	19	0	0.00	1	5.30
Construction Project Manager	4	3	75.00	54	1 350.00
Engineers And Related Professionals	121	0	0.00	3	2.50
Mechanical Engineer	1	0	0.00	3	300.00
Quantity Surveyors & Rela Prof Not Class Elsewhere	2	0	0.00	1	50.00

Promotion in terms of Critical occupations includes in this table promotions to next salary level as well as progression to a higher notch.

Table 4.5.5 Promotions by salary band

Salary Band	Employment at Beginning of Period (April 2024)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
Lower Skilled (Levels 1-2)	280	0	0.00	109	38.90
Skilled (Levels 3-5)	1 792	7	0.40	1 401	78.20
Highly Skilled Production (Levels 6-8)	1 095	8	0.70	713	65.10
Highly Skilled Supervision (Levels 9-12)	763	11	1.40	494	64.70
Senior Management (Levels 13-16)	86	2	2.30	40	46.50
Contract, Other	237	11	4.60	2	0.80
Contract (Levels 1-2)	4	0	0.00	0	0.00
Contract (Levels 3-5)	219	0	0.00	5	2.30
Contract (Levels 6-8)	28	0	0.00	5	17.90
Contract (Levels 9-12)	95	0	0.00	10	10.50
Contract (Levels 13-16)	3	0	0.00	0	0.00

TOTAL	4 602	39	0.80	2 779	60.40

4.6. Employment Equity

Table 4.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as at 31 March 2025

Occupational Categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Officials And Managers	24	3	0	0	15	0	2	1	45
Professionals	27	2	2	2	22	1	0	1	57
Technicians And Associate Professionals	44	2	2	1	51	3	1	8	112
Clerks	42	2	0	1	73	3	1	2	124
Service Shop And Market Sales Workers	7	1	0	8	1	0	0	2	19
Craft And Related Trade Workers	12	0	0	1	7	0	0	0	20
Plant And Machine Operators And Assemblers	4	0	0	0	3	1	0	0	8
Labourers And Related Workers	47	17	2	2	65	15	0	3	151
Clerical Support Workers	171	8	1	3	341	13	4	15	556
Elementary	564	34	4	6	1 041	52	1	11	1 713
Managers	327	8	12	27	232	11	5	17	639
Plant & Machine Operators & Assemblers	45	38	0	9	19	2	0	0	113
Professionals	131	12	11	13	132	2	3	14	318
Protect Rescue Social Health Science Support Pers	28	2	0	1	14	1	0	0	46
Skill Agri Fores Fish Craft Related Trades Workers	32	36	0	0	13	11	0	0	92
Technicians & Associate Technical Occupations	115	7	1	4	204	3	5	15	354
TOTAL	**1 620**	**172**	**35**	**78**	**2 233**	**118**	**22**	**89**	**4 367**
Employees with disabilities	23	6	1	3	11	2	-	6	52

Table 4.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands on 31 March 2025

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	2	0	1	0	4
Senior Management	44	3	1	2	26	0	3	2	81
Professionally qualified and experienced specialists and mid-management	359	15	24	35	270	15	5	27	750
Skilled technical and academically qualified workers, junior management, supervisors, foremen	348	38	2	26	580	21	10	57	1,082
Semi-skilled and discretionary decision making	611	108	7	5	899	75	1	1	1,707
Unskilled and defined decision making	77	6	0	0	197	3	0	0	283
Contract, Unavailable	81	1	0	0	132	2	1	0	217
Contract (Top Management)	1	0	0	0	0	0	0	0	1
Contract (Senior Management)	0	0	0	1	1	0	0	0	2
Contract (Professionally qualified)	27	1	1	9	23	1	1	2	65
Contract (Skilled technical)	7	0	0	0	15	0	0	0	22
Contract (Semi-skilled)	63	0	0	0	87	1	0	0	151
Contract (Unskilled)	1	0	0	0	1	0	0	0	2
Total	**1 620**	**172**	**35**	**78**	**2 233**	**118**	**22**	**89**	**4 367**

Table 4.6.3 Recruitment

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management	2	0	0	0	0	0	0	0	2
Professionally qualified and experienced	9	1	2	0	12	0	0	1	25

specialists and mid-management									
Skilled technical and academically qualified workers, junior management, supervisors, foremen	4	1	0	0	6	0	0	0	11
Semi-skilled and discretionary decision making	3	0	0	0	7	1	0	0	11
Unskilled and defined decision making	2	0	0	0	11	0	0	0	13
Not Available	87	0	0	0	151	2	1	0	241
Contract (Senior Management)	0	0	0	1	0	0	0	0	1
Contract (Professionally qualified)	17	0	2	0	17	0	1	0	37
Contract (Skilled technical)	7	0	0	0	13	0	0	0	20
Contract (Semi-skilled)	52	0	0	0	42	0	0	0	94
Contract (Unskilled)	1	0	0	0	1	0	0	0	2
Total	**184**	**2**	**4**	**1**	**260**	**3**	**2**	**1**	**457**
Employees with disabilities	1	0	0	0	1	0	0	0	2

Occupational Band “Not Available refers to employees appointed on contract for example Learners who do not have an occupational band to be linked to in the PERSAL System and the occupational band of “Other Occupations” were used.

Table 4.6.4 Promotion (Includes promotion to salary level and progressions to another notch within the Salary Level)

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	1	0	1
Senior Management	22	1	0	2	14	0	2	0	41
Professionally qualified and experienced specialists and mid-management	247	8	10	26	185	11	3	15	505
Skilled technical and academically qualified workers, junior management, supervisors, foremen	229	30	2	15	387	13	9	36	721
Semi-skilled and discretionary decision making	486	55	5	5	796	59	1	1	1 408

Unskilled and defined decision making	34	4	0	0	71	0	0	0	109
Contract, Not available	5	0	0	0	8	0	0	0	13
Contract (Professionally qualified)	8	0	0	0	2	0	0	0	10
Contract (Skilled technical)	3	0	0	0	2	0	0	0	5
Contract (Semi-skilled)	2	0	0	0	3	0	0	0	5
TOTAL	**1 036**	**98**	**17**	**48**	**1 468**	**83**	**16**	**52**	**2 818**
Employees with disability	15	1	1	1	8	1	0	4	31

Table 4.6.5 Terminations

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management	4	0	0	1	0	0	0	0	5
Professionally qualified and experienced specialists and mid-management	19	1	1	6	9	1	0	3	40
Skilled technical and academically qualified workers, junior management, supervisors, foremen	9	2	0	1	15	4	0	4	35
Semi-skilled and discretionary decision making	34	9	0	0	35	1	0	0	79
Unskilled and defined decision making	1	0	0	0	3	0	0	0	4
Not Available	81	0	0	0	149	0	0	0	230
Contract (Senior Management)	0	0	0	0	1	0	0	0	1
Contract (Professionally qualified)	37	0	2	3	25	1	1	0	69
Contract (Skilled technical)	9	1	0	0	14	0	0	0	24
Contract (Semi-skilled)	78	0	0	0	79	0	0	0	157
Contract (Unskilled)	1	0	0	0	3	0	0	0	4
TOTAL	**273**	**13**	**3**	**11**	**333**	**7**	**1**	**7**	**648**
Employees with disabilities	2	1	0	1	2	1	0	0	7

Table 4.6.6 Disciplinary action

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Dismissal	5	0	0	0	2	0	1	0	8
Combination Of Demotion and Suspension Without Pay	0	0	0	0	1	0	0	0	1
Suspension From Work Without Pay	10	0	0	0	3	0	0	0	13
Final Written Warning	8	0	0	1	4	0	0	0	13
Written Warning	24	3	1	0	12	1	1	0	42
Verbal Warning	1	0	0	0	1	0	0	0	2
Cases Withdrawn/ Not Guilty/Cases Not Pursued Due To Inconclusive Evidence	4	0	0	0	2	1	0	0	7
Resignation	0	2	0	0	1	1	0	0	4
Retirement	2	0	1	2	0	0	0	3	8
Deceased	0	0	0	1	0	0	0	0	1
TOTAL	**54**	**5**	**2**	**4**	**26**	**3**	**2**	**3**	**99**

Table 4.6.7 Skills development

Occupational Categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, Senior Officials and Managers	14	1	0		10	1	1	0	27
Professionals	99	9	3	8	74	3	1	2	199
Technicians and Associate Professionals	56	0	0	5	44	0	0	0	105
Clerks	211	2	1	0	431	9	7	7	668
Service and Sales Workers	4	0	0	2	3	2	0	0	11
Skilled Agriculture and Fishery Workers	0	0	0	0	0	0	0	0	-
Craft and related Trades Workers	119	3	2	3	68	0	0	0	195
Plant and Machine Operators and Assemblers	14	0	0	2	15	0	0	0	31
Elementary Occupations	111	0	3	0-	117	0	0	0	231
Employees with disabilities	6	0	0	0	4	0	0	1	11
TOTAL	**528**	**15**	**9**	**20**	**762**	**15**	**9**	**9**	**1 478**

4.7 Signing Performance Agreements by SMS Members

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

Table 4.7.1 Signing of Performance Agreements by SMS for both DPW and PMTE members as on 31 May 2024

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	1	1	100
Salary Level 16	1	1	1	100
Salary Level 15	9	9	9	100
Salary Level 14	44	44	44	100
Salary Level 13	118	118	115	94.5
Total	**173**	**173**	**170**	**98.26**

Notes
In the event of a National or Provincial election occurring within the first three months of a financial year all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example if elections took place in April, the reporting date in the heading of the table above should change to 31 July 2020.

Table 4.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2025

Reasons
Incapacity leaves, grievance and non-compliance cases

Table 4.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2025

Reasons
Warning letter for non-compliance prepared

4.8 Performance Rewards

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

Table 4.8.1 Performance Rewards by race, gender and disability

Demographics	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
African, Female	0	2 222	0	0	0
African, Male	0	1 597	0	0	0
Asian, Female	0	22	0	0	0
Asian, Male	0	34	0	0	0
Coloured, Female	0	116	0	0	0
Coloured, Male	0	166	0	0	0
Total Blacks, Female	0	2 360	0	0	0
Total Blacks, Male	0	1 797	0	0	0
White, Female	0	83	0	0	0
White, Male	0	75	0	0	0
Employees with a disability	0	52	0	0	0
TOTAL	**0**	**4 367**	**0**	**0**	**0**

No payment of performance bonus in the 2024/2025 cycle..

Table 4.8.2 Performance Rewards by salary band for personnel below Senior Management Service

Salary Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R')
Lower Skilled (Levels 1-2)	0	283	0	0	0
Skilled (Levels 3-5)	0	1 707	0	0	0
Highly skilled production (Levels 6-8)	0	1 082	0	0	0
Highly skilled supervision (Levels 9-12)	0	750	0	0	0
Other	0	217	0	0	0
Contract (Levels 1-2)	0	2	0	0	0
Contract (Levels 3-5)	0	151	0	0	0
Contract (Levels 6-8)	0	22	0	0	0
Contract (Levels 9-12)	0	65	0	0	0
TOTAL	**0**	**4 279**	**0**	**0**	**0**

No payment of performance bonus in the 2024/2025 cycle.

Table 4.8.3 Performance Rewards by critical occupation

Critical Occupations	Number of Beneficiaries	Total Employment	% of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R')
Architect	0	41	0	0	0
Civil Engineer	0	4	0	0	0
Mechanical Engineer	0	2	0	0	0
Programme Or Project Manager	0	43	0	0	0

Quantity Surveyor	0	27	0	0	0

Notes

The CORE classification, as prescribed by the DPSA, should be used for completion of this table.

Table 4.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service

SMS Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R')	Personnel Cost SMS (R'000)
Band A	0	60	0	0	0	0
Band B	0	23	0	0	0	0
Band C	0	4	0	0	0	0
Band D	0	1	0	0	0	0
TOTAL	**0**	**88**	**0**	**0**	**0**	**0**

4.9. Foreign Workers

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

Table 4.7.1 Foreign workers by salary band

Salary Band	1 April 2024		31 March 2025		Change	
	Number	%age of Total	Numbe r	% of Total	Number	% Change
Highly skilled supervision (Levels 9-12)	16	100	15	100	(1)	6.25
TOTAL	**16**		**15**		**(1)**	

6 Cuban Professionals employed as Technical Advisors.

Table 4.9.2 Foreign workers by major occupation

Major Occupation	1 April 2024		31 March 2025		Change	
	Number	%age of Total	Number	% of Total	Number	% Change
Professionals and managers	16	100	15	100	(1)	6.25
TOTAL	**16**		**15**		**(1)**	

4.10. Leave utilisation

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

Table 4.10.1 Sick leave

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)	Number of days with Medical Certification
Contract (Levels 3-5)	421	43.50	81	2.60	5	463	183
Contract (Levels 6-8)	103	39.80	22	0.70	5	176	41
Contract (Levels 9-12)	176	23.30	44	1.40	4	485	41
Contract (Levels 13-16)	9	0.00	1	0.00	9	42	-
Contract Other	230	60.00	68	2.20	3	129	138
Unskilled (Levels 1-2)	1 932	83.70	229	7.40	8	1 316	1 617
Skilled (Levels 3-5)	9 875	75.60	1 254	40.40	8	9 166	7 468
Highly skilled production (Levels 6-8)	6 139	51.40	835	26.90	7	11 262	3 153
Highly skilled supervision (Levels 9-12)	3 464	44.40	528	17.00	7	12 042	1 537
Senior management (Levels 13-16)	227	41.90	44	1.40	5	1,164	95
TOTAL	**22 576**	**63.20**	**3 106**	**100.00**	**7**	**36 245**	**14 273**

Table 4.10.2 Disability leave (temporary and permanent)

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)	Total number of days with medical certification
Lower skilled (Levels 1-2)	76	100.00	2	2.60	38	52	76
Skilled (Levels 3-5)	703	100.00	45	57.70	16	606	703
Highly skilled production (Levels 6-8)	675	100.00	22	28.20	31	1 216	675
Highly skilled supervision (Levels 9-12)	252	100.00	9	11.50	28	895	252
TOTAL	**1 706**	**100.00**	**78**	**100.00**	**22**	**2 769**	**1 706**

The table below summarizes the utilization of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

Table 4.10.3 Annual Leave

Salary Band	Total Days Taken	Average days per Employee	Number of Employees who took leave
Contract (Levels 1-2)	5 398	19	286
Contract (Levels 3-5)	2 087	12	179
Contract (Levels 6-8)	393	12	33

Contract (Levels 9-12)	1 411	14	102
Contract (Levels 13-16)	39	13	3
Contract Other	2 693	9	289
Skilled (Levels 3-5)	40 494	23	1 787
Highly skilled production (Levels 6-8)	26 918	24	1 131
Highly skilled supervision (Levels 9-12)	18 836	24	784
Senior management (Levels 13-16)	1 950	22	89
Other	22	22	1
TOTAL	**100 240**	**21**	**4 684**

Table 4.10.4 Capped leave

Salary Band	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at end of period	Number of Employees who took Capped leave	Total number of capped leave available at end of period	Number of Employees as at End of Period
Contract (Level 1-2)	0	0	0	0	0	0
Contract (Levels 3-5)	0	0	0	0	0	0
Contract (Levels 6-8)	0	0	0	0	0	0
Contract (Levels 9-12)	0	0	0	0	0	0
Contract (Levels 13-16)	0	0	0	0	0	0
Contract Other	0	0	0	0	0	0
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	27	3	46	9	10 906	238
Highly skilled production (Levels 6-8)	6	2	27	3	4 802	175
Highly skilled supervision (Levels 9-12)	16	3	38	5	3 986	105
Senior management (Levels 13-16)	0	0	23	0	418	18
Other	0	0	0	0	0	0
Total	**49**	**3**	**38**	**17**	**20 113**	**536**

Table 4.10.5 Leave pay-outs

Reason	Total Amount (R'000)	Number of Employees	Average Payment per Employee (R)
ANNUAL - DISCOUNTING WITH RESIGNATION (WORK DAYS)	3 185	133	23 947
ANNUAL - DISCOUNTING: CONTRACT EXPIRY (WORK DAYS)	433	50	8 660
ANNUAL - DISCOUNTING: UNUSED VACATION CREDITS (WORK DAYS)	1 748	68	25 706
ANNUAL - GRATUITY: DEATH/RETIREMENT/MEDICAL RETIREMENT(WORK	2 832	85	33 318
CAPPED - GRATUITY: DEATH/RETIREMENT/MEDICAL RETIREMENT(WORK	3 290	54	60 926

TOTAL	11 488		

4.11. HIV/AIDS & Health Promotion Programmes

Table 4.11.1 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
Construction workers as they categorized as vulnerable population because of migration	HIV/AIDS strategy on the construction sector is in place

Table 4.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		Act Chief Director: Human Resource Management Mr. C Zaba
2. Does the department have a dedicated unit or have you designated specific staff members to promote health and wellbeing of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		11 EHW Practitioners based at the regions and 3 Assistant Directors in Head Office
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of the programme.	Yes		Pro - active programmes are conducted on regular basis, attendance has declined due to COVID 19 restrictions
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	Yes		The department has established HIV/AIDS,Wellness and Sports Committees in Head Office and 11 Regional Offices. Wellness Practitioners serve as coordinators.
5. Has the department reviewed the employment policies and practices of your department to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		HIV/AIDS policy, Health and Productivity and Wellness management 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.	Yes		A Human Rights based approach to HIV Management; Advocacy and Stigma Mitigation Programmes are in place.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Yes		The department in collaboration with GEMS conducts Quarterly on site HIV Counselling and Testing and Health Screenings.

8. Has the department developed measures/indicators to monitor & evaluate the impact of your health promotion programme? If so, list these measures/indicators.	Yes		The DSOP submitted to DPSA on annually basis and the Systems Monitoring Tool developed by the DPSA are used as guidelines for monitoring and evaluation. Indicators include: Utilization rate of Health and Wellness Services; Sick leave Utilization; Number of employees living openly with HIV.

4.12. Labour Relations

Table 4.10.1 Collective agreements

Subject Matter	Date
None	

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

Table 4.12.2 Misconduct and disciplinary hearings finalized

Outcomes of disciplinary hearings	Number	Percentage (%) of Total	Total
Dismissal	8	8.00	8
Combination Of Demotion And Suspension From Work Without Pay	1	1.00	1
Suspension From Work Without Pay	13	13.00	13
Final Written Warning	12	12.00	12
Written Warning	43	43.00	43
Verbal Warning	3	3.00	3
Cases Withdrawn/ Not Guilty/Cases Not Pursued Due To Inconclusive Evidence	7	7.00	7
Resignation	3	3.00	3
Retirement	8	8.00	8
Deceased	1	1.00	1
TOTAL	**99**	**100**	**99**

Table 4.12.3 Types of misconduct addressed at disciplinary hearings

Type of misconduct	Number	Percentage (%) of Total	Total
Bribes Or Commit Fraud, Corruption And Nepotism	4	4	4
Absent From Work Without Reason Or Permission	10	10	10
Non-Compliance With Scm/Procurement Procedures	36	36	36
Misuse, Abuse Or Unauthorise Use Of State Vehicle Or Property	5	5	5

Negligence / Dereliction Of Duties	24	24	24
Failure To Carry-Out Lawful Instructions/Insubordination	4	4	4
Assault	2	2	2
Prejudiced The Administration, Discipline And Effeciency Of The Department	3	3	3
Displayed Disrespect, Disgraceful And Unacceptable Behaviour	8	8	8
Sexual Harassment	1	1	1
Failure To Comply With Pmds Policy	1	1	1
Failure To Disclose Financial Interests	1	1	1
TOTAL	99	100%	99

Table 4.12.4 Grievances logged

Number of grievances addressed	Number	% of Total
Not resolved	3	20
Resolved	11	80
TOTAL	**14**	**100**

Table 4.12.5 Disputes logged

Number of disputes addressed	Number	% of total
Upheld	3	30%
Dismissed	4	70%
Total	7	100%

Table 4.12.6 Strike actions

Employees who participated in strike Actions	Number of days lost	Total cost(R'000) of working days lost	Amount (R'000) recovered as a result of no work no pay
Total number of person working days lost	0	0	0
TOTAL:	**0**	**0**	**0**

Table 4.12.7 Precautionary suspensions

Precautionary Suspensions		
Number of Employees placed on precautionary suspension		**Cost (R)**
Number of Employees whose suspension exceeded 30 days	1	675 243.00

4.13 Skills development

This section highlights the efforts of the department with regard to skills development. Skills development in terms of Learnerships are included under Human Capital Investment (HCI) Programmes

Table 4.13.1: Training needs identified

Occupational Categories	**Gender**	**Skills Programmes & other short courses**	**Other forms of trainin0g**	**Total**
Legislators, senior officials and managers	Female	340	10	350
Legislators, senior officials and managers	Male	293	7	300
Professionals	Female	419	22	441
Professionals	Male	322	28	350
Technicians and associate professionals	Female	252	8	260
Technicians and associate professionals	Male	173	7	180
Clerks	Female	355	25	380
Clerks	Male	175	25	200
Service and sales workers	Female	296	4	300
Service and sales workers	Male	255	5	260
Skilled agriculture and fishery workers	Female	0	0	0
Skilled agriculture and fishery workers	Male	0	0	0
Craft and related trades workers	Female	350	0	350
Craft and related trades workers	Male	320	0	320
Plant and machine operators and assemblers	Female	0	0	0
Plant and machine operators and assemblers	Male	0	0	0
Elementary occupations	Female	400	0	400
Elementary occupations	Male	360	0	360
Gender sub totals	**Female**	**2 412**	**69**	**2 481**
Gender sub totals	**Male**	**1 809**	**72**	**1 881**
TOTAL		**4 221**	**141**	**4 362**

Table 4.13.2 Training provided for the period

Occupational Categories	**Gender**	**Skills Programmes & other short courses**	**Other forms of training**	**Total**
Legislators, senior officials and managers	Female	12	0	12
Legislators, senior officials and managers	Male	14	1	15

Professionals	Female	70	10	80
Professionals	Male	113	6	119
Technicians and associate professionals	Female	37	7	44
Technicians and associate professionals	Male	59	2	61
Clerks	Female	439	15	454
Clerks	Male	208	6	214
Service and sales workers	Female	5	0	5
Service and sales workers	Male	6	0	6
Skilled agriculture and fishery workers	Female	0	0	-
Skilled agriculture and fishery workers	Male	0	0	-
Craft and related trades workers	Female	68	0	68
Craft and related trades workers	Male	127	0	127
Plant and machine operators and assemblers	Female	15	0	15
Plant and machine operators and assemblers	Male	16	0	16
Elementary occupations	Female	117	0	117
Elementary occupations	Male	114	0	114
Gender sub totals	**Female**	763	32	795
Gender sub totals	**Male**	657	15	672
TOTAL		**1 420**	**47**	**1 467**

4.14. Injury on duty

The following tables provide basic information on injury on duty.

Table 4.14.1 Injury on duty

Nature of injury on duty	Number	% of total
Required basic medical attention only	34	97.140
Temporary Total Disablement	1	2.85
Permanent Disablement	0	0
Fatal	0	0
Total	**35**	100

CHAPTER 5
PFMA COMPLIANCE REPORT

A. MAIN VOTE

5. IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

5.1. Irregular Expenditure

a) Reconciliation of irregular expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	126 580	122 734
Adjustment to opening balance		(142)
Opening balance as restated	126 580	122 592
Add: Irregular expenditure confirmed	7 761	3 988
Less: Irregular expenditure condoned	-	-
Less: Irregular expenditure not condoned and removed	(56 647)	-
Less: Irregular expenditure recoverable[4]	-	-
Less: Irregular expenditure not recoverable and written off	-	-
Closing balance	**77 694**	**126 580**

Additions in the current year relates to payments made to officials whose appointments in 2017 and 2018 were found ito be rregularl by the Public Service Commission's investigations. Consequence management has since been implemented against the responsible officials who served as panel members for the recruitment process. During the current financial year, the accounting officer approved the removal of transactions amounting to R56,6 million in accordance with the National Treasury's PFMA Compliance and Reporting Framework. Further, R3,1 million incurred in the current year was identified during the audit process and will be dealt with in line with the PFMA Compliance and Reporting Framework.

Reconciling notes

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure that was under assessment	-	-
Irregular expenditure that relates to the prior year and identified in the current year	-	-
Irregular expenditure for the current year	7 761	3 988
Total	**7 761**	**3 988**

[4] Transfer to receivables

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

Description[5]	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure under assessment	-	-
Irregular expenditure under determination	66 772	10 721
Irregular expenditure under investigation	-	-
Total	**66 772**	**10 721**

c) Details of irregular expenditure condoned

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure condoned	-	-
Total	**-**	**-**

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

Description	2024/2025	2023/2024
	R'000	R'000
Proper procurement process not followed	21 930	-
Officials appointed in contravention of Public Service Act	33 617	-
Tax matters not in order	584	-
Three quotations not obtained	515	-
Total	**56 647**	**-**

e) Details of irregular expenditure recoverable

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

[5] Group similar items

f) Details of irregular expenditure written off (irrecoverable)

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

Additional disclosure relating to Inter-Institutional Arrangements

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

Description
Total

h) Details of irregular expenditure cases where an institution is involved in an inter-institutional arrangement (where such institution *is* responsible for the non-compliance)[6]

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

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

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

Disciplinary steps taken	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure - salaries	4 655	3 988
Total	**4 655**	**3 988**

The amount of R4,655 million and R3,988 million for 2024/25 and 2023/24 respectively, relates to the irregularly appointed officials as per the PSC report. Responsible panel members were referred to Labour Relations and consequence management has been implemented.

1.2. Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	1 391	56 778
Adjustment to opening balance		(55 387)
Opening balance as restated	1 391	1 391
Add: Fruitless and wasteful expenditure confirmed	-	-
Less: Fruitless and wasteful expenditure recoverable[7]	-	-
Less: Fruitless and wasteful expenditure not recoverable and written off	-	-
Closing balance	**1 391**	**1 391**

The opening balance of 2023/2024 financial year was adjusted with an amount of R55 million for transactions that did not meet the definition of fruitless and wasteful expenditure. These matters were assessed in accordance with the PFMA Compliance and Reporting Framework.

Reconciling notes

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

[7] Transfer to receivables

Total	-	-

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

Description[8]	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure under assessment		
Fruitless and wasteful expenditure under determination	9	55 396
Fruitless and wasteful expenditure under investigation		
Total	**9**	**55 396**

c) Details of fruitless and wasteful expenditure recoverable

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

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

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure written off	-	-
Total	**-**	**-**

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

Disciplinary steps taken
Total

[8] Group similar items

5.3. Unauthorised Expenditure

a) Reconciliation of unauthorised expenditure

Description	20YY/20ZZ	20XX/20YY
	R'000	R'000
Opening balance	255 079	255 079
Add: unauthorised expenditure confirmed	-	-
Less: unauthorised expenditure approved with funding	-	-
Less: unauthorised expenditure approved without funding	-	-
Less: unauthorised expenditure recoverable	-	-
Less: unauthorised not recovered and written off[9]	-	-
Closing balance	**255 079**	**255 079**

Include discussion here where deemed relevant.

Reconciling notes

Description	20YY/20ZZ	20XX/20YY[10]
	R'000	R'000
Unauthorised expenditure that was under assessment in 20XX/YY	255 079	255 079
Unauthorised expenditure that relates to 20XX/YY and identified in 20YY/ZZggg	-	-
Unauthorised expenditure for the current year	-	-
Total	**255 079**	**255 079**

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

Description[11]	20YY/20ZZ	20XX/20YY
	R'000	R'000
Unauthorised expenditure under assessment	-	-
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
Total[12]	**-**	**-**

[9] This amount may only be written off against available savings
[10] Record amounts in the year in which it was incurred
[11] Group similar items
[12] Total unconfirmed unauthorised expenditure (assessment), losses (determination), and criminal conduct (investigation)

Include discussion here where deemed relevant.

5.4. LATE AND/OR Non-PAYMENT OF SUPPLIERS

DPWI Main Vote

Description	**Number of invoices**	**Consolidated Value**
		R'000
Valid invoices received	22 345	6 723 566
Invoices paid **within** 30 days or agreed period	21 911	6 694 171
Invoices paid **after** 30 days or agreed period	434	29 395
Invoices older than 30 days or agreed period (***unpaid and without dispute***)	-	-
Invoices older than 30 days or agreed period (***unpaid and in dispute***)	-	-

Reasons for late payment of invoices:

- *Late submission by the units.*
- *System challenges at some regions.*
- *Changes in Service Providers banking details.*

B. PROPERTY MANAGEMENT TRADING ENTITY

Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	2 156 711	1 975 327
Adjustment to opening balance	-	(42 731)
Opening balance as restated	2 156 711	1 932 595
Add: Irregular expenditure confirmed	344 741	230 744
Less: Irregular expenditure condoned	-	-
Less: Irregular expenditure not condoned and removed	-	(6 628)
Less: Irregular expenditure recoverable[1]	-	-
Less: Irregular expenditure not recoverable and written off	-	-
Closing balance	2 501 452	2 156 711

The opening balance for 2023/24 FY was adjusted by a net reduction of R42,7 million. Included in this amount are additions to the balance amounting to R62 million which were discovered in the current financial year but related to financial years prior to 31 March 2023. An amount of R13,8 million was classified as not condoned not recoverable as it related to the dispensation granted by National Treasury

in prior years, and an amount of R125 million was assessed in terms of the National Treasury's Compliance and Reporting Framework and found not to meet the definition of irregular expenditure.

The comparative amount of irregular expenditure confirmed was adjusted with a net reduction of R26 million. The amount previously disclosed was R257 million. There were subsequent additions discovered in the current year amounting to R8 million arising from current and prior year findings and confirmed to be irregular, however there was a reduction of R34 million for transactions that did not meet the definition of irregular expenditure relating to the prior year.

The addition of R344,7 million in the current year is as a result of various multi-year contracts and quotations that were found to be irregular after assessments were conducted. Several of these matters amounting to R242 million have already been assessed and referred for consequence management to be implemented.

Reconciling notes

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure that was under assessment	-	-
Irregular expenditure that relates to the prior year and identified in the current year	8 001	-
Irregular expenditure for the current year	344 741	230 744
Total	352 742	230 744

(##) The amount of R8 million was discovered in the current financial year. Assessment and determination tests were conducted and all matters relating to the R8 million has been referred to Labour Relations for consequence management. However, this amount was confirmed to have been incurred in the 2023/24 financial year.

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

Description[2]	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure under assessment	122 483	102 852
Irregular expenditure under determination	1 024 691	910 022
Irregular expenditure under investigation	546 614	546 589
Total	1 693 788	1 559 463

The amounts under assessment in the current financial year emanate from both current year and previous year's audit findings, and from other internal reports. Assessments are still on-going. R559m

was discovered in the current year for lease payments made from June 2016 to Sept 2024 after an investigation was conducted by GRC.

c) Details of irregular expenditure condoned

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure condoned	-	-
Total	-	-

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

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

e) Details of irregular expenditure recoverable

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

f) Details of irregular expenditure written off (irrecoverable)

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

Total	-	-

Additional disclosure relating to Inter-Institutional Arrangements

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

Description
Total

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

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

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

Disciplinary steps taken	2024/2025	2023/2024
	R'000	R'000
Irregularly appointed officials – 8 officials received final written warnings	-	6 628
Pre-qualifying criterial not met – 3 officials received written warnings	-	743
Non-Tax Compliant Status during award - 2 officials received written warnings	386	-

Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	62 301	158 195
Adjustment to opening balance	-	(95 894)
Opening balance as restated	62 301	62 301
Add: Fruitless and wasteful expenditure confirmed	-	-
Less: Fruitless and wasteful expenditure recoverable	-	-
Less: Fruitless and wasteful expenditure not recoverable and written off	-	-
Closing balance	62 301	62 301

The adjustment to the comparative opening balance is a result of the completion of assessments in the current year but the occurrence thereof was in the prior financial years.

Reconciling notes

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

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

Description[5]	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure under assessment	161 774	86 602
Fruitless and wasteful expenditure under determination	56 077	153 505
Fruitless and wasteful expenditure under investigation	-	-
Total	217 851	240 107

The amounts under assessment in the current financial year emanate from both current and previous year's audit findings and from other internal reports. Assessments are still on-going due to them being technical in nature. R109m was discovered in the current year for lease payments made above National Treasury's approved threshold from June 2016 to Sept 2024 after an investigation was conducted by GRC.

c) Details of fruitless and wasteful expenditure recoverable

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

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

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

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

Disciplinary steps taken
Total

5.7. LATE AND/OR Non-PAYMENT OF SUPPLIERS

Property Management Trading Entity (PMTE)

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	116 673	10 648 694
Invoices paid **within** 30 days or agreed period	100 124	8 887 592
Invoices paid **after** 30 days or agreed period	16 076	1 494 374
Invoices older than 30 days or agreed period (***unpaid and without dispute***)	467	232 696
Invoices older than 30 days or agreed period (***unpaid and in dispute***)	6	37 032

Reason(s) for late payment or unpaid invoices without dispute relates to late confirmation of funds by client department or late applications for additional funding by line function, CSD related issues, non-compliant payment batch and system downtime. The unpaid and disputed invoices are due allegations that no work was done for the invoices in question and / or there was no evidence provided to PMTE to prove otherwise.

CHAPTER 6
FINANCIAL PERFORMANCE INFORMATION

Part A: DPWI Main Vote

Report of the auditor-general to the accounting officer on vote no. 13: Department of Public Works and Infrastructure

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Public Works and Infrastructure set out on pages 273 to 329, which comprise the appropriation statement, statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Public Works and Infrastructure as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) and the requirements of Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 24 of 2024 (DoRA).

Basis for opinion

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

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

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

Emphasis of matters

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

Impairment of receivables

7. As disclosed in note 10.5 to the financial statements, impairment of receivables of R75 818 000 was incurred as a result of irrecoverable long outstanding debtors.

Other matters

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

Unaudited supplementary schedules

9. The supplementary information set out on pages 330 to 344 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

10. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

Report on the audit of the annual performance report

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

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

Programme	Page numbers	Purpose
Expanded Public Works Programme	46 – 53	Coordinate the implementation of Expanded Public Works Programme which aims to create job opportunities and provide training for the unskilled, marginalized and unemployed people in South Africa
Construction and Property Industry Policy and Research	54 – 67	Promote growth and transformation of construction and property industry. Promote a standardized approach and best practice in the construction and immovable asset management in the public sector
Construction Project Management	81 – 107	To provide efficient and effective delivery of accommodation needs for DPWI and user Departments through construction
Real Estate Management Services	108 – 119	To timeously provide and manage suitable accommodation in support of user needs to meet the service delivery needs
Facilities Management	127 – 137	To ensure that immovable assets used by government departments and the public are optimally used and maintained in a safe, secure, healthy and economic environment whilst contributing to job creation, skills development and poverty alleviation

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

17. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the department's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated

- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable.
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.

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

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

Expanded Public Works Programme

Number of validated work opportunities reported by DPWI on the EPWP-RS

20. An achievement of 49 017 was reported against a target of 50 048. I could not determine if the reported achievement was correct, as adequate supporting evidence was not provided for auditing. Consequently, the achievement might be more or less than reported and was not reliable for determining if the target had been achieved.

Real Estate Management Services

Number of private leases reduced within the private portfolio

21. An achievement of 2 was reported against a target of 6. I could not determine if the reported achievement was correct, as adequate supporting evidence was not provided for auditing. Consequently, the achievement might be more or less than reported and was not reliable for determining if the target had been achieved.

Other matters

22. I draw attention to the matters below.

Achievement of planned targets

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

24. The tables that follow provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages 46 to 137.

Expanded Public Works Programme (Re-tabled APP)

Targets achieved: 42% *Budget spent: 97%*		
Key service delivery indicator not achieved	**Planned target**	**Reported achievement**
Number of verified work opportunities reported in the EPWP-RS by Public bodies	1 004 746	923 718
Number of validated Work opportunities reported by DPWI on the EPWP-RS	62 313 Valid Work Opportunities reported by DPWI on the EPWP-RS.	60 423 Work Opportunities reported by DPWI on the EPWP-RS.

Construction Project Management (Re-tabled APP)

Targets achieved: 27% *Budget spent: 78%*		
Key service delivery indicator not achieved	**Planned target**	**Reported achievement**
Number of approved infrastructure designs	123	54
Number of projects completed within agreed construction period	106	29
Number of infrastructure projects completed within approved budget	124	77
Number of infrastructure project sites handed over for construction	179	43
Number of infrastructure projects completed	124	77
Number of projects implemented using Turnkey Strategy	70	0
Number of bridges constructed	96	48
Number of Harbour development plans developed	3	0

Real Estate Management Services (Re-tabled APP)

Targets achieved: 33% *Budget spent: 90%*		
Key service delivery indicator not achieved	**Planned target**	**Reported achievement**
Number of private leases reduced within the private portfolio	6	2
Number of State-owned properties let out	150	22
Number of unutilized state-owned properties made available for GBV-F purposes	5	0

Facilities Management (Re-tabled APP)

Targets achieved: 25% *Budget spent: 102%*		
Key service delivery indicator not achieved	**Planned target**	**Reported achievement**
Number of condition assessments conducted on identified properties	266	84
Number of critical components assessed at identified facilities	532	112
Number of Facilities maintained through the Total Facilities Management Contract	8	2

Material misstatements

25. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for Expanded Public Works Programme, Construction and Property Industry Policy and Research, Real Estate Management Services and Facilities Management. Management did not correct all of the misstatements and I reported material findings in this regard.

Report on compliance with legislation

26. 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.

27. 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.

28. 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.

29. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

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

31. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

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

33. The other information I obtained prior to the date of this auditor's report is PFMA compliance report, and the general information, governance, and human resource management are expected to be made available to us after 31 July 2025.

    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 conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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

Internal control deficiencies

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

36. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on the annual performance report and the material findings on compliance with legislation included in this report.

37. Management did not prepare regular, accurate and complete performance reports that are supported and evidenced by reliable information because material misstatements were identified in the annual performance report.

38. Management did not implement controls over daily and monthly processing and reconciling performance information because the supporting schedules did not agree to the annual performance report.

Material irregularities

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

Status of previously reported material irregularities

Overpayment on purchase of bridge materials in 2022-23

40. The Welisizwe Rural Bridges project was gazetted on 24 July 2020 (Gazette number 43547), as part of the 62 Strategic Integrated Projects included in the Infrastructure Investment Plan. The project is aimed at bringing lifesaving social infrastructure to rural communities by providing safe passage and access to amenities. The strategic project is a triparty partnership between the Department of Public Works and Infrastructure (DPWI), the KwaZulu-Natal Department of Transport, and the Department of Defence. The responsibilities of each party are outlined in the agreements signed between the parties and DPWI.

41. The service provider was appointed through competitive bidding on 20 September 2019 to supply old generation type Bailey bridge components, materials, and equipment for the construction of bridges. The service provider was awarded a three (3) year term contract that expired on 30 September 2019, after which DPWI approved a further 6-month extension to the contract to finalise the remaining projects.

42. During the physical verification, on 07 December 2022, conducted on the KZN bridges (Welisizwe bridges), differences were noted between the actual lengths of the bridge components versus those charged per the invoices. Furthermore, the transport cost of the components was amongst others based on the weight of the materials. During a site visit on 7 December 2022 at the service provider's workshop it was established that the cumulative weights of the bridge components differed from the standard 24-ton truck weight used on all the invoices paid.

43. Effective internal controls were not in place for approval and processing of payments, as required by Treasury Regulation 8.1.1 to ensure that the correct amounts are paid to the service provider regarding both the materials and the transport cost. These controls would have provided management with reasonable assurance that payments to be made were necessary and appropriate. The irregularity is likely to result in a material financial loss.

44. The accounting officer was notified of the material irregularity on 31 July 2023 and invited to make written submissions on the actions taken and that will be taken to address this matter. The response was received on 20 September 2023. The response from management including the supporting annexures, indicated that the following steps were taken to address the material irregularity:

- The department has developed standard operating procedures for the programme, to enhance the internal controls, which are in the process of finalisation and will be finalised by end of December 2023.

- The department has put in place new controls (such as the service provider to provide google maps printout supported by weight reports for all invoices and all payments are done on the actual tonnage of goods as received) to prevent transport overpayments.

45. The department has subsequently written two letters to the service provider outlining the overpayment and the service provider has acknowledged and indicated the method of crediting the over-payment to the department. The amount of R2 904 700, 23 was deducted and credited to the department. This was confirmed in the letter to the service provider dated 03 August 2023, as follows:

- The amount or R1 952 010 was agreed to be credited to the department. The second credit note has been processed through the invoice no. 10056412 on 08 September 2023.

46. I made a determination on the appropriateness of the actions taken on 26 October 2023 and concluded based on the representations made and the substantiating documents provided, that appropriate actions are being taken to address the material irregularity.

47. A follow up letters were sent on 16 May 2024, 11 March 2025 and 12 June 2025 respectively wherein I requested information on progress being made in addressing the material irregularity and the responses were received on 10 July 2024, 13 March 2025 and 28 July 2025 respectively detailing the actions already taken and the planned actions to address the material irregularity.

48. The accounting officer communicated and provided evidence that the following progress has been made to resolve the material irregularity:

The financial loss of R2 904 700.23 and R1 952 010 was recovered by the accounting officer. This was done by deducting the amount of the financial loss from the invoices that were due to the supplier in August and September 2023. Calculation of the loss was performed, and the full amount has been recovered.

The standard operating procedures on identification of bridges by province, procurement of bridge components and materials, and transfer of funds was approved in April 2024 and has since been implemented

The initiation of the procurement of the consultants (technical staff) to enhance the internal controls was approved on 12 February 2024. The department advertised the tender for the procurement of technical consultants

The department also made attempts to institute disciplinary measures against the official who was responsible for the loss but it was unfortunate that the official had retired from the department.

Evidence was provided on 25 June 2025 that confirms the appointment of the technical consultants.

49. Through the inspection of the payment batches related to Welisizwe bridges on 26 May 2025, I confirmed the implementation of the standard operating procedures.

50. The actions taken by the accounting officer to address the material irregularity are deemed appropriate and the matter is therefore resolved.

Auditor- General

Pretoria

31 July 2025

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

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

Communication with those charged with governance

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

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Section, regulation or paragraph
Public Finance Management Act 1 of 1999	Section 1; 38(1)(b); 38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(f); 38(1)(h)(iii); 39(1)(a); 39(2)(a); 40(1)(a); 40(1)(b); 40(1)(c)(i); 43(1); 43(4); 44; 45(b)
Treasury Regulations, 2005	Regulation 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1; 6.3.1(a); 6.3.1(b); 6.3.1(c); 6.3.1(d); 6.4.1(b); 7.2.1; 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1; 9.1.1; 9.1.4; 10.1.1(a); 10.1.2; 11.4.1; 11.4.2; 11.5.1; 12.5.1; 15.10.1.2(c); 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(b); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A7.1; 16A7.3; 16A7.6; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii); 17.1.1; 18.2; 19.8.4
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
Division of Revenue Act 24 of 2024	Section 11(6)(a); 12(5); 16(1); 16(3)(a)(i); 16(3)(a)(ii)
National Health Act 61 of 2003	Section 13
National Treasury Instruction No. 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
Second amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 2020/21	Paragraph 2
National Treasury Instruction No. 1 of 2021/22	Paragraph 4
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury Instruction No. 7 of 2017/18	Paragraph 4.3
PFMA National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
National Treasury Practice Note 5 of 2009/10	Paragraph 3.3
National Treasury Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulations, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulations, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; 6.6; 6.8; 7.1; 7.2; 7.3; 7.6; 7.8; 8.2; 8.5; 9.1; 10.1; 10.2; 11.1; 11.2

Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
Public Service Regulations, 2016	Regulation 18(1); 18(2); 25(1)(e)(i); 25(1)(e)(iii)
State Information Technology Agency Act 88 of 1998	Section 7(3)

SPECIMEN ANNUAL FINANCIAL STATEMENTS FOR THE NATIONAL DEPARTMENT OF PUBLIC WORKS AND INFRASTRUCTURE

For the year ended 31 March 2025

Table of Contents

APPROPRIATION STATEMENT
for the year ended 31 March 2025

Appropriation per programme									
	2024/25							2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1. Administration	569 564	-	(28 300)	541 264	535 062	6 202	98.9%	590 232	581 309
2. Intergovernmental Coordination	60 870	-	(4 869)	56 001	49 278	6 723	88.0%	55 817	48 322
3. Expanded Public Works Programme	2 228 704	-	(23 910)	2 204 794	2 204 626	168	100.0%	2 954 207	2 943 671
4. Property And Construction Industry Policy and Research	4 676 295	-	44 048	4 720 343	4 694 895	25 448	99.5%	4 740 529	4 667 500
5. Prestige Policy	76 648	-	13 031	89 679	86 548	3 131	96.5%	65 181	63 237
TOTAL	7 612 081	-	-	7 612 081	7 570 409	41 672	99.5%	8 405 966	8 304 039
Departmental receipts				17 238	-			32 170	-
Actual amounts per statement of financial performance (Total revenue)				7 629 319	-			8 438 136	-
Actual amounts per statement of financial performance (Total expenditure)					**7 570 409**				**8 304 039**

APPROPRIATION STATEMENT
for the year ended 31 March 2025

Appropriation per economic classification									
2024/25								2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	1 248 642	(21)	(124 928)	1 123 693	1 086 062	37 631	96.7%	1 125 216	1 027 281
Compensation of employees	621 362	-	(65 602)	555 760	546 324	9 436	98.3%	556 516	524 617
Goods and services	627 280	(21)	(59 326)	567 933	539 738	28 195	95.0%	568 700	502 664
Transfers and subsidies	6 348 835	-	124 302	6 473 137	6 473 135	2	100.0%	7 262 592	7 262 590
Provinces and municipalities	1 177 458	-	-	1 177 458	1 177 456	2	100.0%	1 548 500	1 548 498
Departmental agencies and accounts	4 333 819	-	124 000	4 457 819	4 457 819	-	100.0%	4 452 608	4 452 608
Foreign governments and international organisations	36 413	-	-	36 413	36 413	-	100.0%	34 202	34 202
Public corporations and private enterprises	102 835	-	-	102 835	102 835	-	100.0%	164 841	164 841
Non-profit institutions	689 582	-	-	689 582	689 582	-	100.0%	1 052 431	1 052 431
Households	8 728	-	302	9 030	9 030	-	100.0%	10 010	10 010
Payments for capital assets	14 604	-	-	14 604	10 565	4 039	72.3%	18 007	14 017
Machinery and equipment	14 604	-	-	14 604	10 565	4 039	72.3%	18 007	14 017
Payments for financial assets	-	21	626	647	647	-	100.0%	151	151

APPROPRIATION STATEMENT
for the year ended 31 March 2025

Total	**7 612 081**	**-**	**-**	**7 612 081**	**7 570 409**	**41 672**	**99.5%**	**8 405 966**	**8 304 039**

Programme 1: ADMINISTRATION									
2024/25								2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Ministry	46 243	1 307	(7 766)	39 784	37 508	2 276	94.3%	46 291	40 613
2. Management	122 653	2 283	(11 612)	113 324	111 652	1 672	98.5%	90 986	90 878
3. Corporate Services	262 345	(2 694)	(7 913)	251 738	250 268	1 470	99.4%	281 667	280 053
4. Finance and Supply Chain Management	48 306	(1 444)	(1 009)	45 853	45 069	784	98.3%	45 351	43 828
5. Office Accommodation	90 017	548	-	90 565	90 565	-	100.0%	125 937	125 937
Total for sub programmes	569 564	-	(28 300)	541 264	535 062	6 202	98.9%	590 232	581 309
Economic classification									
Current payments	560 892	-	(28 626)	532 266	526 616	5 650	98.9%	574 849	568 236
Compensation of employees	318 917	-	(30 201)	288 716	283 066	5 650	98.0%	278 236	271 623
Goods and services	241 975	-	1 575	243 550	243 550	-	100.0%	296 613	296 613
Transfers and subsidies	1 857	-	(300)	1 557	1 557	-	100.0%	2 232	2 231

Provinces and municipalities	6	-	-	6	6	-	100.0%	6	5
Households	1 851	-	(300)	1 551	1 551	-	100.0%	2 226	2 226
Payments for capital assets	6 815	-	-	6 815	6 263	552	91.9%	13 029	10 720
Machinery and equipment	6 815	-	-	6 815	6 263	552	91.9%	13 029	10 720
Payments for financial assets	-	-	626	626	626	-	100.0%	122	122
Total	**569 564**	**-**	**(28 300)**	**541 264**	**535 062**	**6 202**	**98.9%**	**590 232**	**581 309**

Programme 2: INTERGOVERNMENTAL COORDINATION

2024/25								2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Monitoring Evaluation and Reporting	5 548	-	(500)	5 048	4 157	891	82.3%	5 098	3 723
2. Intergovernmental Relations and Coordination	26 840	-	(3 000)	23 840	21 528	2 312	90.3%	24 442	18 939
3. Professional Services	28 482	-	(1 369)	27 113	23 593	3 520	87.0%	26 277	25 660
Total for sub programmes	60 870	-	(4 869)	56 001	49 278	6 723	88.0%	55 817	48 322
Economic classification									
Current payments	54 402	-	(4 888)	49 514	42 902	6 612	86.6%	48 950	41 592
Compensation of employees	42 443	-	(4 019)	38 424	35 314	3 110	91.9%	40 148	32 790
Goods and services	11 959	-	(869)	11 090	7 588	3 502	68.4%	8 802	8 802
Transfers and subsidies	6 127	-	19	6 146	6 146	-	100.0%	6 478	6 478
Households	6 127	-	19	6 146	6 146	-	100.0%	6 478	6 478

Payments for capital assets	341	-	-	341	230	111	67.4%	380	243
Machinery and equipment	341	-	-	341	230	111	67.4%	380	243
Payments for financial assets	-	-	-	-	-	-	-	9	9
Total	**60 870**	**-**	**(4 869)**	**56 001**	**49 278**	**6 723**	**88.0%**	**55 817**	**48 322**

Programme 3: EXPANDED PUBLIC WORKS PROGRAMME									
2024/25								**2023/24**	
	Approved Budget	**Shifting of Funds**	**Virement**	**Final Budget**	**Actual Expenditure**	**Variance**	**Expenditure as % of final budget**	**Final Budget**	**Actual expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Sub programme									
1. Expanded Public Works Programme: Monitoring and Evaluation	60 761	(3 004)	(5 020)	52 737	52 678	59	99.9%	52 707	49 959
2. Expanded Public Works Programme: Infrastructure	978 042	3 015	(5 142)	975 915	975 889	26	100.0%	1 240 148	1 238 827
3. Expanded Public Works Programme: Operations	1 093 677	-	(6 198)	1 087 479	1 087 457	22	100.0%	1 571 601	1 570 879
4. Expanded Public Works Programme: Partnership Support	87 854	-	(5 872)	81 982	81 942	40	100.0%	82 226	78 940
5. Expanded Public Works Programme: Public Employment Coordinating Commission	8 370	(11)	(1 678)	6 681	6 660	21	99.7%	7 525	5 066
Total for sub programmes	**2 228 704**	**-**	**(23 910)**	**2 204 794**	**2 204 626**	**168**	**100.0%**	**2 954 207**	**2 943 671**

Programme 3: EXPANDED PUBLIC WORKS PROGRAMME									
2024/25								**2023/24**	
	Approved Budget	**Shifting of Funds**	**Virement**	**Final Budget**	**Actual Expenditure**	**Variance**	**Expenditure as % of final budget**	**Final Budget**	**Actual expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Economic classification									
Current payments	360 467	(21)	(24 634)	335 812	335 812	-	100.0%	351 631	341 095
Compensation of employees	204 374	-	(21 710)	182 664	182 664	-	100.0%	185 386	174 850
Goods and services	156 093	(21)	(2 924)	153 148	153 148	-	100.0%	166 245	166 245
Transfers and subsidies	1 867 242	-	724	1 867 966	1 867 966	-	100.0%	2 601 569	2 601 569
Provinces and municipalities	1 177 448	-	-	1 177 448	1 177 448	-	100.0%	1 548 490	1 548 490
Non-profit institutions	689 582	-	-	689 582	689 582	-	100.0%	1 052 431	1 052 431
Households	212	-	724	936	936	-	100.0%	648	648
Payments for capital assets	995	-	-	995	827	168	83.1%	987	987
Machinery and equipment	995	-	-	995	827	168	83.1%	987	987
Payments for financial assets	-	21	-	21	21	-	100.0%	20	20
Total	**2 228 704**	**-**	**(23 910)**	**2 204 794**	**2 204 626**	**168**	**100.0%**	**2 954 207**	**2 943 671**

APPROPRIATION STATEMENT
for the year ended 31 March 2025

Programme 4: PROPERTY AND CONSTRUCTION INDUSTRY POLICY AND RESEARCH

		2024/25							2023/24	
		Approved Budget	**Shifting of Funds**	**Virement**	**Final Budget**	**Actual Expenditure**	**Variance**	**Expenditure as % of final budget**	**Final Budget**	**Actual expenditure**
		R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
	Sub programme									
1.	Construction Policy Development Programme	42 770	-	(5 331)	37 439	37 371	68	99.8%	42 252	39 503
2.	Property Policy Development Programme	11 780	(13)	(621)	11 146	10 794	352	96.8%	10 965	9 958
3.	Construction Industry Development Board	75 183	-	-	75 183	75 183	-	100.0%	80 320	80 320
4.	Council for the Built Environment	51 205	-	4 300	55 505	55 505	-	100.0%	54 704	54 704
5.	Independent Development Trust	-	-	-	-	-	-	-	81 800	81 800
6.	Construction Education and Training Authority	646	-	-	646	646	-	100.0%	571	571
7.	Property Management Trading Entity	4 168 392	-	119 700	4 288 092	4 288 092	-	100.0%	4 276 211	4 276 211
8.	Assistance to Organisations for the Preservation of National Memorials	36 413	-	-	36 413	36 413	-	100.0%	34 202	34 202
9.	Infrastructure Development Coordination	289 906	13	(74 000)	215 919	190 891	25 028	88.4%	159 504	90 231
	Total for sub programmes	**4 676 295**	**-**	**44 048**	**4 720 343**	**4 694 895**	**25 448**	**99.5%**	**4 740 529**	**4 667 500**

APPROPRIATION STATEMENT
for the year ended 31 March 2025

Programme 4: PROPERTY AND CONSTRUCTION INDUSTRY POLICY AND RESEARCH									
	2024/25							2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	209 349	-	(79 846)	129 503	104 134	25 369	80.4%	95 115	22 154
Compensation of employees	23 377	-	(7 925)	15 452	14 776	676	95.6%	22 160	15 235
Goods and services	185 972	-	(71 921)	114 051	89 358	24 693	78.3%	72 955	6 919
Transfers and subsidies	4 466 794	-	123 894	4 590 688	4 590 688	-	100.0%	4 645 214	4 645 214
Departmental agencies and accounts	4 327 328	-	124 000	4 451 328	4 451 328	-	100.0%	4 445 888	4 445 888
Foreign governments and international organisations	36 413	-	-	36 413	36 413	-	100.0%	34 202	34 202
Public corporations and private enterprises	102 835	-	-	102 835	102 835	-	100.0%	164 841	164 841
Households	218	-	(106)	112	112	-	100.0%	283	283
Payments for capital assets	152	-	-	152	73	79	48.0%	200	132
Machinery and equipment	152	-	-	152	73	79	48.0%	200	132
Total	**4 676 295**	**-**	**44 048**	**4 720 343**	**4 694 895**	**25 448**	**99.5%**	**4 740 529**	**4 667 500**

APPROPRIATION STATEMENT
for the year ended 31 March 2025

Programme 5: PRESTIGE POLICY									
	2024/25							2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Prestige Accommodation and State Functions	70 157	-	13 031	83 188	80 057	3 131	96.2%	58 461	56 517
2. Parliamentary Villages Management Board	6 491	-	-	6 491	6 491	-	100.0%	6 720	6 720
Total for sub programmes	**76 648**	**-**	**13 031**	**89 679**	**86 548**	**3 131**	**96.5%**	**65 181**	**63 237**
Economic classification									
Current payments	63 532	-	13 066	76 598	76 598	-	100.0%	54 671	54 204
Compensation of employees	32 251	-	(1 747)	30 504	30 504	-	100.0%	30 586	30 119
Goods and services	31 281	-	14 813	46 094	46 094	-	100.0%	24 085	24 085
Transfers and subsidies	6 815	-	(35)	6 780	6 778	2	100.0%	7 099	7 098
Provinces and municipalities	4	-	-	4	2	2	50.0%	4	3
Departmental agencies and accounts	6 491	-	-	6 491	6 491	-	100.0%	6 720	6 720
Households	320	-	(35)	285	285	-	100.0%	375	375
Payments for capital assets	6 301	-	-	6 301	3 172	3 129	50.3%	3 411	1 935
Machinery and equipment	6 301	-	-	6 301	3 172	3 129	50.3%	3 411	1 935
Total	**76 648**	**-**	**13 031**	**89 679**	**86 548**	**3 131**	**96.5%**	**65 181**	**63 237**

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

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

   Detail of these transactions can be viewed in the note on Transfers and Subsidies and Annexure 1A-G 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	%
Administration	541 264	535 062	6 202	1%
Intergovernmental Coordination	56 001	49 278	6 723	12%
Expanded Public Works Programme	2 204 794	2 204 626	168	0%
Property and Construction Industry Policy and Research	4 720 343	4 694 895	25 448	1%
Prestige Policy	89 679	86 548	3 131	3%

Programme name

Administration	541 264	535 062	6 202	1%

Explanation of variance

• Compensation of employees - Positive variance is due to delays in the filling of vacant positions and those that became vacant during the financial year.

•Payment for capital assets - Positive variance is due to the late receipt of invoices for office furniture and leased photocopy machines.

Programme name

Intergovernmental Coordination	56 001	49 278	6 723	12%

Explanation of variance

• Compensation of employees - Positive variance is due to delays in the filling of vacant positions and those that became vacant during the financial year.

• Goods and services - Positive spending variance is due to delays in the coordination of planned activities for the Professional Services.

• Machinery and Equipment - Positive variance is due to the projected spending being higher than actual.

Programme name

Expanded Public Works Programme	2 204 794	2 204 626	168	0%

Explanation of variance

• Compensation of employees - Positive variance is due to delays in the filling of vacant positions and those that became vacant during the financial year.

Programme name

Property and Construction Industry Policy and Research	4 720 343	4 694 895	25 448	1%

Explanation of variance

• Compensation of employees - Positive variance is due to delays in the filling of vacant positions and those that became vacant during the financial year.

• Goods and services - Positive variance is due to delays in spending relating to Infrastructure South Africa for the implementation of the project preparation.

• Machinery and Equipment - Positive variance is due to the projected spending being higher than actual.

Programme name

Prestige Policy	89 679	86 548	3 131	3%

Expenditure variance relates to:

• Machinery and Equipment - Positive variance is due to delays in the delivery of procured assets.

4.2 Per economic classification

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

Economic classification	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Budget %
Current Expenditures				
Compensation of employees	555 760	546 324	9 436	2%
Goods and services	567 933	539 738	28 195	5%
Transfers and subsidies				
Provinces and municipalities	1 177 458	1 177 456	2	0%
Departmental agencies and accounts	4 457 819	4 457 819	-	0%
Public corporations and private enterprises	102 835	102 835	-	0%
Foreign governments and international organisations	36 413	36 413	-	0%
Non-profit institutions	689 582	689 582	-	0%
Households	9 030	9 030	-	0%
Payments for capital assets				
Machinery and equipment	14 604	10 565	4 039	28%

Explanation of variance:

• Compensation of employees - Positive variance is due to delays in the filling of vacant positions and those that became vacant during the financial year.

• Goods and services - Positive variance is due to delays in spending relating to Infrastructure South Africa for the implementation of the project preparation.

• Machinery and Equipment - Positive variance is due to delays in the delivery of procured assets and a higher projection than the actual.

4.3 Per conditional grant

Conditional grant	**Final Budget** **R'000**	**Actual Expenditure** **R'000**	**Variance** **R'000**	**Variance as a percentage of Final Budget** **%**
EPWP Integrated Grant for Provinces	311 641	311 641	-	0%
Social Sector EPWP Incentive Grant for Provinces	305 704	305 704	-	0%
EPWP Integrated Grant for Municipalities	560 103	560 103	-	0%

STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2025

	Note	2024/25 R'000	2023/24 R'000
REVENUE			
Annual appropriation	*1*	7 612 081	8 405 966
Departmental revenue	*2*	17 238	32 170
TOTAL REVENUE		**7 629 319**	**8 438 136**
EXPENDITURE			
Current expenditure			
Compensation of employees	*3*	546 324	524 617
Goods and services	*4*	539 738	502 664
Total current expenditure		**1 086 062**	**1 027 281**
Transfers and subsidies			
Transfers and subsidies	*6*	6 473 135	7 262 590
Total transfers and subsidies		**6 473 135**	**7 262 590**
Expenditure for capital assets			
Tangible assets	*7*	10 565	14 017
Total expenditure for capital assets		**10 565**	**14 017**
Payments for financial assets	*5*	647	151
TOTAL EXPENDITURE		**7 570 409**	**8 304 039**
SURPLUS FOR THE YEAR		**58 910**	**134 097**
Reconciliation of Net Surplus for the year			
Voted funds		41 672	101 927
Annual appropriation		41 672	101 927
Departmental revenue and NRF receipts	*12*	17 238	32 170
SURPLUS FOR THE YEAR		**58 910**	**134 097**

STATEMENT OF FINANCIAL POSITION
for the year ended 31 March 2025

	Note	2024/25 R'000	2023/24 R'000
Current assets		545 251	376 672
Cash and cash equivalents	16	497 720	301 247
Prepayments and advances	9	31 019	65 505
Receivables	10	16 512	9 920
Non-current assets		84 154	95 615
Prepayments and advances	9	5 120	-
Receivables	10	79 034	95 615
TOTAL ASSETS		**629 405**	**472 287**
LIABILITIES			
Current liabilities		865 556	709 660
Voted funds to be surrendered to the Revenue Fund	11	41 672	101 927
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	12	9 000	-
Payables	13	814 884	607 733
Non-current liabilities			
Payables	14	687	687
TOTAL LIABILITIES		**866 243**	**710 347**
NET ASSETS		(236 838)	(238 060)
Recoverable revenue		18 241	17 019
Unauthorised expenditure		(255 079)	(255 079)
TOTAL		**(236 838)**	**(238 060)**

STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2025

	Note	2024/25 R'000	2023/24 R'000
Recoverable revenue			
Opening balance		17 019	17 027
Transfers:		1 222	(8)
Debts revised		(35)	(173)
Debts recovered (included in departmental revenue)		(557)	(237)
Debts raised		1 814	402
Closing balance		18 241	17 019
Unauthorised expenditure			
Opening balance		(255 079)	(255 079)
Closing Balance		(255 079)	(255 079)
TOTAL		**(236 838)**	**(238 060)**

CASH FLOW STATEMENT
for the year ended 31 March 2025

	Note	2024/25 R'000	2023/24 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		7 629 319	8 438 136
Annual appropriation funds received	1.1	7 612 081	8 405 966
Departmental revenue received	2	6 156	21 577
Interest received	2	11 082	10 593
Net (increase)/decrease in net working capital		242 491	194 143
Surrendered to the Revenue Fund		(106 150)	(282 238)
Current payments		(1 086 062)	(1 027 281)
Payments for financial assets	5	(647)	(151)
Transfers and subsidies paid		(6 473 135)	(7 262 590)
Net cash flow available from operating activities	15	205 816	60 019
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	15	(10 565)	(14 017)
Net cash flow available from investing activities		(10 565)	(14 017)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		1 222	(8)
Net cash flows from financing activities		1 222	(8)
Net increase/(decrease) in cash and cash equivalents		196 473	45 994
Cash and cash equivalents at the beginning of the period		301 247	255 253
Cash and cash equivalents at the end of the period	8 & 16	497 720	301 247

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies

The financial statements have been prepared in accordance with the following policies which have been applied consistently in all material aspects unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.

The historical cost convention has been used except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

Where appropriate and meaningful additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA) Act 1 of 1999 (as amended by Act 29 of 1999) and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1.	Basis of preparation The financial statements have been prepared in accordance with the Modified Cash Standard.
2.	Going concern The financial statements have been prepared on a going concern basis.
3.	Presentation currency Amounts have been presented in the currency of the South African Rand (R), which is also the functional currency of the department
4.	Rounding Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
5.	Foreign currency translation Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.
6.	Comparative information
6.1	Prior period comparative information Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.
6.2	Current year comparison with the budget A comparison between the approved final budget and actual amounts for each programme and economic classification is included in the appropriation statement.
7.	Revenue
7.1	Appropriated funds Appropriated funds comprise of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation). Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process

	are recognised in the statement of financial performance on the date the adjustments become effective. Appropriated funds are measured at the amounts receivable. The net amount of any appropriated funds due to/from the relevant revenue fund at the reporting date is recognised as a payable/ receivable in the statement of financial position.
7.2	Departmental revenue Departmental revenue is recognied 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. At commencement of the finance lease term finance lease assets acquired are recorded and measured at: the fair value of the leased asset; or if lower the present value of the minimum lease payments. Finance lease assets acquired prior to 1 April 2024 are recorded and measured at the present value of the minimum lease payments.
9.	Cash and cash equivalents Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position as a current liability. For the purposes of the cash flow statement cash and cash equivalents comprise cash on hand deposits held other short-term highly liquid investments and bank overdrafts.
10.	Prepayments and advances Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost. Prepayments and advances expensed before 1 April 2024 are recorded until the goods services or capital assets are received or the funds are utilised in accordance with the contractual agreement.
11.	Loans and receivables Loans and receivables are recognised in the statement of financial position at cost plus accrued interest where interest is charged less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.
12.	Investments Investments are recognised in the statement of financial position at cost.

13.	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.
14.	Payables Payables recognised in the statement of financial position are recognised at cost.
15.	Capital assets
16.1	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.
16.2	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.	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.
17.	Unauthorised expenditure Unauthorised expenditure is measured by the amount of the confirmed unauthorised expenditure. Unauthorised expenditure is recognised in the statement of changes in net assets until 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 the previous financial year and identified in the current year; and • Unauthorised expenditure incurred in the current year.
18.	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 the previous financial year and identified in the current year; and • fruitless and wasteful expenditure incurred in the current year.
19.	Irregular expenditure Losses emanating from irregular expenditure are recognised as 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 the previous financial year and identified in the current year; and • irregular expenditure incurred in the current year.
20.	Changes in accounting policies estimates and errors Changes in accounting policies are applied in accordance with MCS requirements. Changes in accounting estimates are applied prospectively in accordance with MCS requirements. Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets liabilities and net assets for the earliest period for which retrospective restatement is practicable.
21.	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.
22.	Principal-Agent arrangements The Department is party to a principal-agent arrangement with different government institutions for the implementation of projects that support growth and development strategies through the National Skills Fund (NSF) and the construction of rural bridge structures in six Provinces (i.e. KwaZulu Natal, Eastern Cape, Free State, Limpopo, Northwest and Mpumalanga) through the Provincial government departments respectively. In terms of the arrangement with the NSF, the Department is an agent and is responsible for planning and engaging with public bodies and participants and the recruitment of learners procurement and training implementation. In terms of the arrangement with the six Provincial Government Departments, the Department (DPWI) is the agent and is responsible for planning and conducting the need assessment of envisaged bridges structure to be constructed and providing technical support on labour-intensive construction method and ensuring the procurement of bridge structures. The Department is party to a principal–agent arrangement for the implementation and provision of technical support for the expanded public works programme through the International Labour Organisation (ILO) and Independent Development Trust (IDT). In terms of the arrangement with

	both institutions, the Department is the principal and is responsible for overseeing the provision of the support and monitoring and evaluation of the EPWP project implementation. The Department has been entrusted with administrative powers and functions in the infrastructure Development Act to provide functional leadership towards achieving the Presidential Infrastructure Coordinating Commission (PICC) `s mandate. The Department has entered an agreement with the Industrial Development Corporation (IDC) to provide accommodation and operational services to the Technical Project Management Unit (referred to as a Technical Task Team) that supports the Department in executing its functions, as well as the project preparation under Infrastructure Development Coordination. In this arrangement, the IDC is acting as an agent to the Department, the rights and obligations of this agreement rest with the Department (DPWI).
23.	Recoverable revenue Amounts are recognised as recoverable revenue when a payment made in the 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.
24.	Related party transactions Related party transactions within the Minister'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.
25.	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.

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):

	2024/25			2023/24	
	Final Budget	**Actual Funds Received**		**Final Budget**	**Appropriation Received**
Programmes	**R'000**	**R'000**		**R'000**	**R'000**
Administration	541 264	541 264		590 232	590 232
Intergovernmental Coordination	56 001	56 001		55 817	55 817
Expanded Public Works Programme	2 204 794	2 204 794		2 954 207	2 954 207
Property and Construction Industry Policy and Research	4 720 343	4 720 343		4 740 529	4 740 529
Prestige Policy	89 679	89 679		65 181	65 181
Total	**7 612 081**	**7 612 081**		**8 405 966**	**8 405 966**

2. Departmental revenue

	Note	2024/25 R'000	2023/24 R'000
Sales of goods and services other than capital assets	*2.1*	341	322
Fines, penalties and forfeits	*2.2*	74	51
Interest, dividends and rent on land	*2.3*	11 082	10 593
Transactions in financial assets and liabilities	*2.4*	5 741	21 204
Total revenue collected		**17 238**	**32 170**

2.1. Sales of goods and services other than capital assets

	Note	2024/25	2023/24
Sales of goods and services produced by the department		325	309
Sales by market establishment		113	106
Other sales		212	203
Sales of scrap waste and other used current goods		16	13
Total	*2*	**341**	**322**

2.2. Fines, penalties and forfeits

	Note	2024/25	2023/24
Forfeits		74	51
Total	*2*	**74**	**51**

2.3. Interest, dividends and rent on land

	Note	2024/25 R'000	2023/24 R'000
Interest		11 082	10 593
Total	2	**11 082**	**10 593**

2.4. Transactions in financial assets and liabilities

	Note	2024/25 R'000	2023/24 R'000
Receivables		5 741	21 204
Total	2	**5 741**	**21 204**

2.5. Transfers received

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

	Note	2024/25 R'000	2023/24 R'000
Gifts		7 000	-
Total	2	**7 000**	**-**

Payments were made to the contractor on behalf of the Department for the Presidential inauguration.

3. Compensation of employees

3.1. Salaries and Wages

	Note	2024/25 R'000	2023/24 R'000
Basic salary		372 531	357 050
Performance award		110	100
Service based		374	229
Compensative/circumstantial		12 888	11 711
Other non-pensionable allowances	3.1.1	91 911	89 151
Total		**477 814**	**458 241**

3.1.1 Other non-pensionable allowances

	Note	2024/25 R'000	2023/24 R'000
Capital remuneration (Management allowances)		109	68
Housing allowance		18 545	17 255
Non-Pensionable all other		45 938	45 110
Service bonus		25 923	25 176
Foreign Staff Salary (Locally Recruited Persons)		873	1 072
Foreign allowances	3.1.1	523	470
Total		**91 911**	**89 151**

3.2. Social contributions

Employer contributions	Note	2024/25 R'000	2023/24 R'000
Pension		48 386	47 676
Medical		19 959	18 594
Bargaining council		84	80
Insurance		81	26
Total		68 510	66 376
Total compensation of employees		**546 324**	**524 617**
Average number of employees		**665**	**683**

4. Goods and services

	Note	2024/25 R'000	2023/24 R'000
Administrative fees	4.1	61 463	91 228
Advertising		11 280	18 855
Minor assets	4.2	358	680
Bursaries (employees)		419	1 108
Catering		5 661	2 517
Communication		4 208	4 855
Computer services	4.3	34 073	34 271
Consultants: Business and advisory services	4.4	99 398	12 519
Legal services		21 191	44 358
Contractors		41 628	19 734
Agency and support / outsourced services		70 419	58 024
Entertainment		202	209
Audit cost – external	4.7	10 299	11 459
Fleet services		512	545
Consumables	4.6	6 922	7 679
Operating leases		70 767	109 860
Property payments	4.7	19 799	16 079
Rental and hiring		75	-
Travel and subsistence	4.8	70 441	58 342
Venues and facilities		5 480	3 952
Training and development		2 989	2 769
Other operating expenditure	4.9	2 154	3 621
Total		**539 738**	**502 664**

4.1. Administrative fees

	Note	2024/25 R'000	2023/24 R'000
Bank charges and card fees at commercial bank		132	120
System access and information fees		634	576
Travel agency fees		1,000	1,075
Management/ handling fees (EPWP Intermediary fees)		59 697	89 457
Total	4	**61 463**	**91 228**

4.2. Minor assets

	Note	2024/25	2023/24
Tangible capital assets		358	680
Machinery and equipment		358	680
Total	4	**358**	**680**

4.3. Computer services

	Note	2024/25	2023/24
SITA computer services		20 394	28 573
External computer service providers		13 679	5 698
Total	4	**34 073**	**34 271**

4.4. Consultants: Business and advisory services

	Note	2024/25	2023/24
Accountants & Auditors (Internal Audit)		8 421	1 060
Audit Committee Members		2 595	3 337
Board & Committee Members (Professionals)		491	178
Human Resource (Professionals)		1 001	903
Organisational Structure (Stabilisation/Streamlining etc.)		403	1 023
Project Management Services		85 632	2 889
Research Conducted & Advisory Services		796	3 044
Translators &Transcript (Editors)		59	62
Qualification Verification		-	23
Total	4	**99 398**	**12 519**

4.5. Audit cost - external

	Note	2024/25	2023/24
Regularity audits		10 299	11 459
Total	4	**10 299**	**11 459**

4.6. Consumables

	Note	2024/25 R'000	2023/24 R'000
Consumable supplies		4 064	3 969
Uniform and clothing		1 249	2 301
Household supplies		1 586	830
Communication accessories		20	1
IT consumables		625	436
Other consumables		584	401
Stationery printing and office supplies		2 858	3 710
Total	4	**6 922**	**7 679**

4.7. Property payments

	Note	2024/25 R'000	2023/24 R'000
Municipal services		18 856	15 313
Property management fees		943	766
Total	4	**19 799**	**16 079**

4.8. Travel and subsistence

Local		65 586	50 447
Foreign		4 855	7 895
Total	4	**70 441**	**58 342**

4.9. Other operating expenditure

Professional bodies membership and subscription fees		659	631
Resettlement costs		104	735
Courier & delivery services		363	312
Subscription, printing & public services		567	1 046
Other operating Exp (Storage & Non-life Insurance)		461	897
Total	4	**2 154**	**3 621**

5. Payments for financial assets

Other material losses written off	5.1	265	131
Debts written off	5.2	382	20
Total		**647**	**151**

5.1. Other material losses written off

Nature of losses	Note	2024/25 R'000	2023/24 R'000
Recoverable Expenditure		265	131
Total	*5*	**265**	**131**

5.2. Debts written off

Nature of debts written off			
Other debts written off		382	20
Total		382	20
Total debts written off	*5*	**382**	**20**

6. Transfers and subsidies

Provinces and municipalities	*p54-p58*	1 177 456	1 548 498
Departmental agencies and accounts (Entities)	*Annex 1B*	4 457 819	4 452 608
Foreign organisations (Commonwealth War Graves)	*Annex 1D*	36 413	34 202
Public corporations and private enterprises	*Annex 1C*	102 835	164 841
Non-Profit Institutions (EPWP Non-State Sector)	*Annex 1E*	689 582	1 052 431
Household (non-employees bursaries and leave gratuities)	*Annex 1F*	9 030	10 010
Total		**6 473 135**	**7 262 590**

7. Expenditure for capital assets

Tangible capital assets	10 565	14 017
Machinery and equipment	10 565	14 017
Total	**10 565**	**14 017**

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

	2024/25		
Name of entity	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible capital assets	10 565	-	10 565
Machinery and equipment	10 565	-	10 565
Total	**10 565**	**-**	**10 565**

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

	2023/24		
	Voted funds	**Aid assistance**	**Total**
Name of entity	**R'000**	**R'000**	**R'000**
Tangible capital assets	14 017	-	14 017
Machinery and equipment	14 017	-	14 017
Total	**14 017**	**-**	**14 017**

7.3. Finance lease expenditure included in Expenditure for capital assets

	Note	**2024/25** R'000	**2023/24** R'000
Tangible capital assets		2 045	2 117
Machinery and equipment		2 045	2 117
Total		**2 045**	**2 117**

8. Cash and cash equivalents

Consolidated Paymaster General Account	403 185	136 511
Cash receipts	-	1
Cash on hand	125	125
Cash with commercial banks (Local)	94 410	164 610
Total	**497 720**	**301 247**

9. Prepayments and advances

Travel and subsistence		72	-
Prepayments (Not expensed)	*9.2*	9 100	156
Advances paid (Not expensed)	*9.1*	26 967	65 349
Total		**36 139**	**65 505**

Analysis of Total Prepayments and advances		
Current Prepayments and advances	31 019	65 505
Non-Current Prepayments and advances	5 120	-
Total	**36 139**	**65 505**

Advances paid (Not expensed)

		2024/25				
		Amount as at 1 April 2024	**Less: Amounts expensed in the current year**	**Add / Less: Other**	**Add Current year advances**	**Amount as at 31 March 2025**
	Note	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Public entities		65 231	(108 892)	-	70 154	26 493
Other entities		118	(15 546)	-	15 902	474
Total	*9*	**65 349**	**(124 438)**	**-**	**86 056**	**26 967**

		2023/24				
		Amount as at 1 April 2023	**Less: Amounts expensed in the current year**	**Add / Less: Other**	**Add Current year advances**	**Amount as at 31 March 2024**
	Note	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
National departments		345	(345)	-	-	-
Public entities		1 193	(22 080)	-	86 118	65 231
Other entities		700	(13 129)	-	12 547	118
Total	*9*	**2 238**	**(35 554)**	**-**	**98 665**	**65 349**

9.1. Prepayments (Not expensed)

		2024/25				
		Amount as at 1 April 2024	**Less: Amounts expensed in the current year**	**Add / Less: Other**	**Add Current year pre-payments**	**Amount as at 31 March 2025**
	Note	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Goods and services		156	(2 396)	-	11 340	9 100
Total	*9*	**156**	**(2 396)**	**-**	**11 340**	**9 100**

		2023/24				
		Amount as at 1 April 2023	Less: Amounts expensed in the current year	Add / Less: Other	Add Current year pre-payments	Amount as at 31 March 2024
	Note	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Goods and services		42	(215)	-	329	156
Total	*9*	**42**	**(215)**	**-**	**329**	**156**

10. Receivables

		2024/25			2023/24		
		Current	Non-current	Total	Current	Non-current	Total
	Note	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Claims recoverable	*10.1*	16 029	61 506	77 535	9 721	78 214	87 935
Recoverable expenditure	*10.2*	316	387	703	57	15 425	15 482
Staff debt	*10.3*	150	489	639	77	492	569
Other receivables	*10.4*	17	16 652	16 669	65	1 484	1 549
Total		**16 512**	**79 034**	**95 546**	**9 920**	**95 615**	**105 535**

10.1. Claims recoverable

	Note	2024/25 R'000	2023/24 R'000
National departments		55 737	76 306
Provincial departments		1 113	-
Public entities		20 685	11 629
Total	*10*	**77 535**	**87 935**

10.2. Recoverable expenditure

Disallowance		686	15 461
Private telephone		13	15
Salary accounts		4	6
Total	*10*	**703**	**15 482**

10.3. Staff debt

	Note	2024/25 R'000	2023/24 R'000
Personnel debt		639	569
Total	*10*	**639**	**569**

10.4. Other receivables

	Note	2024/25 R'000	2023/24 R'000
Bursaries		23	63
Ex Employee (subsistence and travel)		1 128	1 338
Telephone Account (limit exceeded)		75	148
Service Providers		15 443	-
Total	*10*	**16 669**	**1 549**

10.5. Impairment of receivables

	2024/25 R'000	2023/24 R'000
Estimate of impairment of receivables	75 818	77 431
Total	**75 818**	**77 431**

11. Voted funds to be surrendered to the Revenue Fund

	2024/25 R'000	2023/24 R'000
Opening balance	101 927	236 472
As restated	101 927	236 472
Transferred from the statement of financial performance	41 672	101 927
Paid during the year	(101 927)	(236 472)
Closing balance	**41 672**	**101 927**

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

	2024/25 R'000	2023/24 R'000
Opening balance	(4 015)	23 521
Prior period error	-	(13 940)
As restated	(4 015)	9 581
Transferred from statement of financial performance (as restated)	17 238	32 170
Paid during the year	(4 223)	(45 766)
Closing balance	**9 000**	**(4 015)**

12.1 Prior period error

	2023/24
	R'000
Relating to 2023/24 (affecting the opening balance)	(13 940)
Departmental revenue to be surrendered to the Revenue Fund	(13 940)
Total	**(13 940)**

The 2023/24 opening balance was overstated by an amount of R13.9 million which was erroneously included in the revenue amount for 2022/23 financial year

13. Payables - current

	Note	2024/25	2023/24
		R'000	R'000
Advances received	13.1	813 618	605 136
Clearing accounts	13.2	743	88
Other payables	13.3	523	2 509
Total		**814 884**	**607 733**

13.1. Advances received

Provincial departments		798 169	591 796
Public entities		15 449	13 340
Total	13	**813 618**	**605 136**

13.2. Clearing accounts

Salary clearing accounts		743	64
Telephone control		-	24
Total	13	**743**	**88**

13.3. Other payables

Funds received on behalf of the PMTE.		432	1 751
Other payables		91	758
Total	13	**523**	**2 509**

14. Payables - non-current

		2024/25				2023/24
		One to two years	**Two to three years**	**Older than three years**	**Total**	**Total**
	Note	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Other payables	*14.1*	687	-	-	687	687
Total		**687**	**-**	**-**	**687**	**687**

14.1. Other payables

		2024/25	2023/24
	Note	**R'000**	**R'000**
Vukuphile EPWP projects		687	687
Total	*14*	**687**	**687**

15. Net cash flow available from operating activities

Net surplus/(deficit) as per Statement of Financial Performance	58 910	134 097
Add back non-cash/cash movements not deemed operating activities	146 906	(74 078)
(Increase)/decrease in receivables	5 974	22 237
(Increase)/decrease in prepayments and advances	29 366	(63 225)
Increase/(decrease) in payables - current	207 151	235 131
Expenditure on capital assets	10 565	14 017
Surrenders to the Revenue Fund	(106 150)	(282 238)
Net cash flow generated by operating activities	**205 816**	**60 019**

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

Consolidated Paymaster General account	403 185	136 511
Cash receipts	-	1
Cash on hand	125	125
Cash with commercial banks (Local)	94 410	164 610
Total	**497 720**	**301 247**

17. Contingent liabilities and contingent assets

17.1. Contingent liabilities

Liable to	Nature		2024/25 R'000	2023/24 R'000
Claims against the department		*Annex 2A*	2 019	2 019
Intergovernmental payables		*Annex 5*	222 951	117 920
Total			**224 970**	**119 939**

17.2. Contingent assets

Claims for overpayments	1 321	1 321
Total	**1 321**	**1 321**

18. Capital commitments

Machinery and equipment	749	5 088
Total	**749**	**5 088**

19. Accruals and payables not recognised

19.1. Accruals

		2024/25			2023/24
		30 Days	30+ Days	Total	Total
Listed by economic classification	*Note*	R'000	R'000	R'000	R'000
Goods and services		10 985	29 069	40 054	26 647
Other		49 970	30 030	80 000	52 332
Total		**60 955**	**59 099**	**120 054**	**78 979**

Listed by programme level

Listed by programme level		
Administration	18 043	18 132
Intergovernmental Coordination	81 289	53 306
Expanded Public Works Programme	19 791	6 282
Property and Construction Industry Policy and Research	193	614
Prestige Policy	738	645
Total	**120 054**	**78 979**

The material accruals are due to the Welisizwe Bridges project

19.2. Payables not recognised

		2024/25			2023/24
		30 Days	**30+ Days**	**Total**	**Total**
Listed by economic classification	***Note***	**R'000**	**R'000**	**R'000**	**R'000**
Goods and services		1 744	2 086	3 830	1 694
Transfers and subsidies		-	-	-	131
Capital assets		-	-	-	85
Total		**1 744**	**2 086**	**3 830**	**1 910**

Listed by programme level		**2024/25 R'000**	**2023/24 R'000**
Administration		1 313	483
Intergovernmental Coordination		-	-
Expanded Public Works Programme		1 742	1 391
Prestige Policy		775	36
Total		**3 830**	**1 910**

Included in the above totals are the following:

Confirmed balances with other departments	*Annex 5*	1 470	4 447
Confirmed balances with other government entities	*Annex 5*	5 176	5 758
Total		**6 646**	**10 205**

20. Employee benefits

Leave entitlement	33 001	30 784
Service bonus	12 902	12 450
Capped leave	4 166	5 576
Other	926	2 398
Total	**50 995**	**51 208**

At this stage the department is not able to reliably measure the long-term portion of the long service awards. Excluded from the leave entitlement is an amount of R86 thousand representing leave credits as at end of financial year.

Included in the above totals are the following:

Confirmed balances with other departments	*Annex 5*	126	168
Confirmed balances with other government entities	*Annex 5*	-	123
Total		**126**	**291**

21. Lease commitments

21.1. Operating leases

	2024/25				
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	6 924	-	6 924
Later than 1 year and not later than 5 years	-	-	6 056	-	6 056
Total lease commitments	**-**	**-**	**12 980**	**-**	**12 980**

	2023/24				
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	6 529	-	6 529
Later than 1 year and not later than 5 years	-	-	12 980	-	12 980
Total lease commitments	**-**	**-**	**19 509**	**-**	**19 509**

The Department leases a building from Kanivest 3146CC for 3 years with a commencement date of 01 February 2024 till 31/01/2027. The lease agreement has a secondary lease period of 2 years, during which the agreement may be extended by the lessor or the lessee from the date on which the initial lease period expires. The department continues to lease one property on a month-to-month basis with the lessor, as there is no lease agreement as of 31 December 2025.

21.2. Finance leases

	2024/25				
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	1 256	1 256
Later than 1 year and not later than 5 years	-	-	-	1 358	1 358
Total lease commitments	**-**	**-**	**-**	**2 614**	**2 614**

	2023/24				
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	1 337	1 337
Later than 1 year and not later than 5 years	-	-	-	944	944
Total lease commitments	**-**	**-**	**-**	**2 281**	**2 281**

22. Accrued departmental revenue

	Note	2024/25 R'000	2023/24 R'000
Interest dividends and rent on land		2 601	1 416
Total		**2 601**	**1 416**

22.1. Analysis of accrued departmental revenue

Opening balance	1 416	2
Less: amounts received	(10 356)	(9 874)
Add: amounts recorded	11 541	11 288
Closing balance	**2 601**	**1 416**

23. Unauthorised irregular and fruitless and wasteful expenditure

Irregular expenditure - current year	7 761	3 988
Total	**7 761**	**3 988**

The amount of R4,655 million and R3,988 million for 2024/25 and 2023/24 respectively, relates to the irregularly appointed officials as per the PSC report. Responsible panel members were referred to Labour Relations and consequence management has been implemented. The irregular expenditure amounting to R3.1 million is due to unjustifiable deviations.

24. Related party transactions

The following entities/departments have been identified as related parties of the Department:

a) Independent Development Trust (IDT) - Government development agency to implement projects commissioned by the Government.

b) Parliamentary Village Management Board - To provide transport from and to the parliamentary villages for residents (Parliamentarians and sessional officials) who are in Cape Town.

c) Agreement South Africa (ASA) - Promote and support the process of integrated socio-economic development in SA.

d) Council for the Built Environment (CBE) - Oversee built environment professional councils.

e) Construction Industry Development Board (CIDB) - Provide strategic direction for sustainable growth reform and improvements of the construction sector and its role in the economy.

f) Property Management Trading Entity (PMTE) - To manage devolved accommodation-related costs and user charges.

Related parties transactions

1. Property Management Trading Entity (PMTE)

The PMTE operates within the administration of the Department of Public Works and Infrastructure (DPWI) and as such all contracts are entered into in the name of the DPWI. The liabilities and obligations arising from these transactions are accounted for by the PMTE if it relates to the PMTE operating activities as these liabilities will be settled using the PMTE funds and resources.

1.1 Details of in-kind goods and services provided/received

Indirect costs

Indirect costs include the sharing of administrative services between the Department and the PMTE. The nature of the transactions resulted in difficulties in reliably determining the value of the indirect costs paid on behalf of the PMTE due to the operational structure and functions between the Department and the PMTE.

25. Key management personnel

	Note	2024/25 R'000	2023/24 R'000
Political office bearers (provide details below)		4 937	4 862
Officials:			
Level 15 to 16		12 845	13 305
Level 14 (incl CFO if at a lower level)		39 316	34 112
Secondment of Staff		83	827
Total		**57 181**	**53 106**

The Political office bearers are the Minister and the Deputy Minister of the Department of Public Works and Infrastructure. In terms of persons with significant influence the department has identified officials from level 14 and above as key management, as well as seconded key officials if applicable.

26. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	2024/25				
	Opening balance	Value adjustments	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS	112 962	-	-	(13)	112 949
Heritage assets	112 962	-	-	(13)	112 949
MACHINERY AND EQUIPMENT	349 546	-	17 029	(18 939)	347 636
Transport assets	6 673	-	-	-	6 673
Computer equipment	88 384	-	8 558	(3 281)	93 661
Furniture and office equipment	217 126	-	3 758	(14 046)	206 838
Other machinery and equipment	37 363	-	4 713	(1 612)	40 464
FINANCE LEASE ASSETS	4 343	-	1 609	-	5 952
Finance lease assets	4 343	-	1 609	-	5 952
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**466 851**	**-**	**18 638**	**(18 952)**	**466 537**

Movable Tangible Capital Assets under investigation

	Number	Value R'000
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	885	16 275

During asset verification for 2024/25 some assets could not be verified and are under investigation.

26.1. MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS	112 962	-	-	-	112 962
Heritage assets	112 962	-	-	-	112 962
MACHINERY AND EQUIPMENT	327 072	-	39 316	(16 842)	349 546
Transport assets	4 303	-	3 598	(1 228)	6 673
Computer equipment	75 600	-	22 950	(10 166)	88 384
Furniture and office equipment	218 256	-	2 470	(3 600)	217 126
Other machinery and equipment	28 913	-	10 298	(1 848)	37 363
FINANCE LEASE ASSETS	3 659	-	684	-	4 343
Finance lease assets	3 659	-	684	-	4 343
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**443 693**	**-**	**40 000**	**(16 842)**	**466 851**

26.2. Minor assets

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	2024/25						
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	21	3 821	114 303	-	-	118 145
Additions	-	-	11	1 935	-	-	1 946
Disposals	-	-	(17)	(5 187)	-	-	(5 204)
Total Minor assets	**-**	**21**	**3 815**	**111 051**	**-**	**-**	**114 887**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Number of R1 minor assets	-	-	-	2 958	-	-	2 958
Number of minor assets at cost	-	11	1 957	58 894	-	-	60 862
Total Minor assets	**-**	**11**	**1 957**	**61 852**	**-**	**-**	**63 820**

Minor Capital Assets under investigation

	Number	Value
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:		R'000
Machinery and equipment	774	1 511

During asset verification for 2024/25 some assets could not be verified and are under investigation.

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/25						
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	21	3 825	115 329	-	-	119 175
Additions	-	-	-	1 823	-	-	1 823
Disposals	-	-	(4)	(2 849)	-	-	(2 853)
Total Minor assets	**-**	**21**	**3 821**	**114 303**	**-**	**-**	**118 145**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Number of R1 minor assets	-	-	-	2 955	-	-	2 955
Number of minor assets at cost	-	11	1 959	60 881	-	-	62 851
Total number of minor assets	**-**	**11**	**1 959**	**63 836**	**-**	**-**	**65 806**

27. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	2024/25			
	Opening balance	**Additions**	**Disposals**	**Closing balance**
	R'000	**R'000**	**R'000**	**R'000**
SOFTWARE	9 651	-	-	9 651
TOTAL INTANGIBLE CAPITAL ASSETS	**9 651**	**-**	**-**	**9 651**

27.1. MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24				
	Opening balance	**Prior period error**	**Additions**	**Disposals**	**Closing balance**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**
Software	9 651	-	-	-	9 651
TOTAL INTANGIBLE CAPITAL ASSETS	**9 651**	**-**	**-**	**-**	**9 651**

28. Principal-agent arrangements

28.1. Department acting as the principal

Management Fees Paid	*Note*	**2024/25 R'000**	**2023/24 R'000**
International Labour Organisation		1 740	1 334
Independent Development Trust		1 539	1 212
Independent Development Trust (NPI)		58 614	89 457
Property Management Trading Entity		943	766
Total		**62 836**	**92 769**

For each of the individual principal-agent arrangements of the department, provide a description of the nature circumstances, significant judgments applied significant terms and conditions, any significant risks and benefits relating to the arrangements with the agents.
The International Labour Organization (ILO):

The ILO assists the Department with capacity and best practice methodology for the implementation of EPWP projects. The main purpose of this relationship is to enable support to be provided by the ILO in terms of their international expertise on the Public Employment Programmes and Labour-intensive methods. In this arrangement the ILO is acting as an agent for the Department and receives 13% of the direct cost as management fees.

The Independent Development Trust (IDT):

The IDT implements strategic priority projects (i.e. EPWP and Non-State Sector Programme) for the Department. In this arrangement the IDT is acting as an agent for the Department and receives 8.5% of the project cost for project management services provided.

The Industrial Development Corporation (IDC):

The Department (DPWI) has been entrusted with the administration powers and functions in the Infrastructure Development Act to provide functional leadership towards achieving the Presidential Infrastructure Coordinating Commission (PICC)`s mandate. The Department has entered into an agreement with the IDC to provide accommodation and operational services to the Technical Project Management Unit (referred to as a Technical Task Team) that supports the Department in executing its functions. Additionally, the project preparation is being implemented by the IDC under Infrastructure Project Coordination. In this arrangement the IDC is acting as an agent for the Department. The rights and obligations of this agreement rest with the Department. The agency work is provided at no cost to the Department.

The Property Management Trading Entity:

The PMTE offers the service of paying the leasing and municipal service charges on behalf of the department and then recovering those costs directly from the Department. For this service the PMTE charges a 5% management fee which is invoiced and recovered from the department. The PMTE is acting as an agent regarding the payment and recovery of these municipal service charges. The management fee for rendering this service is recognised as revenue by the PMTE.

For each of the individual principal-agent arrangements include a discussion of the resource or cost implications for the principal if the principal-agent arrangement is terminated.

The International Labour Organization (ILO):

Should any changes occur, the Department may decide to modify or terminate the agreement upon giving reasonable advance notice in writing, its financial contribution to the programme. Such modification or termination by the Department of its financial contribution will be without prejudice to any funds irrecoverably committed in good faith and in accordance with the Memorandum by the ILO to third parties before it is notified of such modification or termination.

Should the funds held by the ILO be insufficient to cover the outstanding liabilities in respect of the Memorandum the Department will deposit the amount required for this purpose within the maximum commitment stipulated in the Memorandum. Notwithstanding the completion of the project, the ILO shall continue to hold unutilized payment until all commitments, liabilities incurred in the implementation of the project have been satisfied, and project activities brought to an orderly conclusion. The ILO in consultation with the Department shall dispose of any balance remaining unspent after such commitment and liabilities have been satisfied. There were no significant changes in the terms and conditions during the period under review.

The Independent Development Trust (IDT):

In instances where early termination of these agreements be necessitated for any reason whatsoever, the Department shall assume responsibility for all liabilities incurred in terms of this agreement and forthwith make available funding to cover all cost that the IDT has incurred and/or committed to as well as termination and other costs recoverable by third parties against the IDT. There were no significant changes in the terms and conditions during the period under review.

The Industrial Development Corporation (IDC):

Upon termination of this Agreement, for whatever reason, all amounts owing by either Party will become immediately due and payable to the other. Where required, the Parties will make a pro rata payment for that portion of the month for which the services were provided prior to such termination. The obligation to pay any amounts owing in terms of this Agreement shall survive any expiration or termination of this Agreement until such amounts have been paid in full. There were no changes in the terms and conditions during the period under review."

For each of the individual principal-agent arrangements, include a discussion of the resources (including assets and liabilities) that are under the custodianship of the agent and whether or not those resources have been recognised or recorded by the agent.

The International Labour Organization (ILO):

The Department makes advance payments to the ILO for the provision of technical support in agreed-upon areas. The Department oversees the provision of support by the ILO. The ILO provides statements showing expenditure on the advance provided at regular intervals that are then expensed against the advance. For the 2024/25 financial year, the total advance to ILO amounted to R13.7 million and as of 31 March 2025 there was an expenditure of R13.3 million incurred and a closing balance of R357 thousand remains.

The Independent Development Trust (IDT):

The Department makes advance payments to the IDT for the provision of technical support in agreed-upon areas. The Department oversees the provision of support by IDT. The IDT provides statements showing expenditure on the advance provided at regular intervals that are then expensed against the advance. For the 2024/25 financial year, the total advance to IDT amounted to R26.1 million and as of 31 March 2025 there was expenditure of R25.1 million incurred. As of 31March 2025 the balance recorded in the Department's financial position (Note 9) amounts to R1.8 million and it is recorded as a liability in the IDT financial statements. Furthermore, the Department transferred/paid to the IDT R689.6 million (Note 6 & Annexure 1E) for the implementation of Non-profit Organization Programme (NPO).

The Industrial Development Corporation (IDC):

The Department makes advance payments to the IDC for project preparation under the Infrastructure Development Coordination. For the 2024/25 financial year, the total advance to IDC amounted to R44 million and as of 31 March 2025 the total expenditure incurred was R83.4 million, commitments amounting to R6.6million and a closing balance recorded in the Department's financial position (Note 9) amounts to R24.7 million and it is recorded as a liability in the IDC financial statements. The Department also made a transfer payment of R103 million to the IDC to fund the operational activities of the Technical Task Team (Note 6 & Annexure 1C).

Property Management Trading Entity (PMTE):

There are accruals for the amount of R1.3 million in respect of Municipal services owed by the Department to PMTE.

28.2. Department acting as the agent

28.2.1. Reconciliation of funds and disbursements - Current year

	2024/25	
	Total funds received	**Expenditure incurred against funds**
Category of revenue or expenditure per arrangement	**R'000**	**R'000**
National Skills Fund	33 339	(17 890)
KZN Department of Transport	330 251	(260 933)
EC Department of Transport	306 140	(166 731)
MP Department of Transport	143 665	(139 914)
FS Police Roads & Transport	258 474	(98 943)
LP Public Works Roads & Infra	361 362	(121 401)
NW Public Works & Roads	247 325	(61 127)
Total	**1 680 556**	**(866 939)**

Reconciliation of funds and disbursements - Prior year

	2023/24	
	Total funds received	**Expenditure incurred against funds**
Category of revenue or expenditure per arrangement	**R'000**	**R'000**
National Skills Fund	31 210	(17 871)
KZN Department of Transport	335 273	(179 478)
EC Department of Transport	445 387	(263 840)
MP Department of Transport	81 959	(63 916)
FS Police Roads & Transport	125 630	(26 156)
LP Public Works Roads & Infra	92 714	(29 968)
NW Public Works & Roads	115 000	(40 809)
Total	**1 227 173**	**(622 038)**

Description of the nature, circumstances, significant judgment applied significant terms and conditions, any significant risks and benefits relating to the arrangements with the agents for each of the individual agent relationships of the department, provide a description of the nature, circumstances and terms relating to the arrangement with the principal.

NSF- The Department has entered into a contractual agreement with the NSF for purposes of Supporting special projects on growth and development strategies to benefit the EPWP participants, currently there are no significant risks identified that could affect the project.

The Department has entered into a contractual agreement with six Provincial Government Departments for the construction of rural bridge structures in rural Provinces of the Republic of South Africa and the benefits include utilization of government internal capacity and expertise in the construction of bridges. Participation of all three spheres of government in the construction in line with District Development Model and quicker and cheaper. Currently there are no significant risks identified that could affect the project.

Description and explanation of assets held, or liabilities incurred on behalf of the principal and shown in the department's own financial statements.

The National Skills Fund:

The Department utilizes funds advanced by the NSF towards the implementation of the NSF project as outlined in the agreement. The Department provides reports showing expenditure on the advances received at regular intervals. As of 31 March 2025, the balance of the advance received, which is recorded in the Department's financial position amounts to R15.4 million, the expenditure incurred amounts to R17.8 million and the Accruals recorded amounts to R17.6 million.

Kwa Zulu Natal (KZN) Department of Transport Eastern Cape (EC) Department of Transport Mpumalanga (MP) Department of Transport Free State (FS) Police Roads & Transport Limpopo (LP) Public Works Roads & infrastructure & North West (NW)Public Works &Roads:

The Department utilises funds received as advances from these departments towards the implementation or construction of rural bridges in rural areas of these Provinces. As of 31 March 2025, the balance of the advances received recorded in the Department's financial position amount to R69 million; R139 million R3.7 million R159 million R239 million and R186 million respectively and the overall accruals across these provinces (KZN, EC, MP, FS, LP & NW) amounts to R80 million.

The Department of Basic Education (DBE):

The Department has entered into a contractual agreement with the Department of Basic Education for which the Department was appointed as an implementation agent for the schools' beautification programme. As the programme progressed financial challenges were encountered, which resulted in the contract being terminated in line with the signed agreement. As of 31 March 2025, DBE owes the Department an amount totaling R54.5 million and it is recorded in the department's statement of financial position.

28.2.2. Reconciliation of carrying amount of receivables and payables - current year

Receivables

	2024/25				
	Opening balance 1 April 2024	**Revenue principal is entitled to**	**Less: Write offs / settlements / waivers**	**Cash received on behalf of principal**	**Closing balance 31 March 2025**
Name of principal entity	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
National Department of Basic Education	54 541	-	-	-	54 541
Total	**54 541**	**-**	**-**	**-**	**54 541**

Payables

	2024/25			
	Opening balance 1 April 2024	**Funds received**	**Expenses incurred on behalf of the principal**	**Closing balance 31 March 2025**
Name of principal entity	**R'000**	**R'000**	**R'000**	**R'000**
National Skills Fund	13 339	20 000	(17 890)	15 449
KZN Department of Transport	155 795	174 456	(260 933)	69 318
EC Department of Transport	181 547	124 593	(166 731)	139 409
MP Department of Transport	18 043	125 622	(139 914)	3 751
FS Police Roads & Transport	99 474	159 000	(98 943)	159 531
LP Public Works Roads & Infra	62 746	298 616	(121 401)	239 961
NW Public Works & Roads	74 191	173 134	(61 127)	186 198

Total	**605 135**	**1 075 421**	**(866 939)**	**813 617**

Reconciliation of carrying amount of receivables and payables - prior year

Receivables

	2023/24				
	Opening balance 1 April 2023	**Funds received**	**Less: Write offs / settlements / waivers**	**Expenses incurred on behalf of the principal**	**Closing balance 31 March 2024**
Name of principal entity	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
National Department of Basic Education	54 541	-	-	-	54 541
Total	**54 541**	**-**	**-**	**-**	**54 541**

Payables

	2023/24			
	Opening balance 1 April 2023	**Funds received**	**Expenses incurred on behalf of the principal**	**Closing balance 31 March 2024**
Name of principal entity	**R'000**	**R'000**	**R'000**	**R'000**
National Skills Fund	11 210	20 000	(17 871)	13 339
KZN Department of Transport	49 637	285 636	(179 478)	155 795
EC Department of Transport	307 887	137 500	(263 840)	181 547
MP Department of Transport	-	81 959	(63 916)	18 043
FS Police Roads & Transport	-	125 630	(26 156)	99 474
LP Public Works Roads & Infra	-	92 714	(29 968)	62 746
NW Public Works & Roads	-	115 000	(40 809)	74 191
Total	**368 734**	**858 439**	**(622 038)**	**605 135**

29. Changes in accounting estimates and Changes in accounting policies

29.1. Changes in accounting policies

		2023/24				
		Opening balance before the change (1 Apr 2023)	**Adjust-ment of opening balance**	**Restated opening balance after the change (1 Apr 2023)**	**Adjust-ment for 2023/24**	**Restated closing balance (31 Mar 2024)**
Nature of change in accounting policy	*Note*	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Finance lease assets						
Movable Tangible Capital Assets		440 034	3 659	443 693	23 160	466 853

Included in the opening balances for 2022/23 and 2023/24 is a change in accounting policy made in terms of the MCS requirements whereby assets under finance leases are recorded by a department at the commencement of the lease term rather than at the end of the lease term. The change in accounting policy is applied retrospectively.

30. Prior period errors

30.1 Correction of prior period errors

		2023/24		
	Note	Amount before error correction	Prior period error	Restated amount
		R'000	R'000	R'000
Revenue: (Departmental revenue)				
Departmental Revenue and NRF Receipts to be surrendered to Revenue Fund	*19*	9 925	(13 940)	(4 015)
		9 925	(13 940)	(4 015)

The 2023/24 opening balance was overstated by an amount of R13.9 million which was erroneously included in the revenue amount for 2022/23 financial year.

Assets: (Receivables)				
Claims recoverable	*14*	5 706	4 015	9 721
Claims recoverable: National Departments	*14*	72 291	4 015	76 306
		77 997	**8 030**	**86 027**

The 2023/24 opening balance was overstated by an amount of R13.9 million which was erroneously included in the revenue amount for 2022/23 financial year.

31. Statement of conditional grants paid to the provinces

	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Province / Grant	**Division of Revenue Act / Provincial grants**	**Roll overs**	**Adjust-ments**	**Total Available**	**Actual transfer**	**Funds withheld**	**Reallocations by National Treasury or National depart-ment**	**Amount received by depart-ment**	**Amount spent by depart-ment**	**Unspent funds**	**% of available funds spent by depart-ment**	**Division of Revenue Act / Provincial grants**	**Actual transfers**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Summary by province													
Eastern Cape	136 911	-	-	136 911	136 911	-	-	136 911	135 787	1 124	99.2%	203 669	186 580
Free State	35 479	-	-	35 479	35 479	-	-	35 479	34 968	511	98.6%	54 695	50 513
Gauteng	68 259	-	-	68 259	68 259	-	-	68 259	67 245	1 014	98.5%	90 577	83 572
Kwazulu-Natal	141 398	-	-	141 398	141 398	-	-	141 398	132 510	8 888	93.7%	195 502	187 332
Limpopo	73 203	-	-	73 203	73 203	-	-	73 203	72 594	609	99.2%	101 139	93 607
Mpumalanga	35 355	-	-	35 355	35 355	-	-	35 355	33 895	1460	95.9%	53 916	49 764
Northern Cape	28 601	-	-	28 601	28 601	-	-	28 601	27 652	949	96.7%	31 665	28 930
North West	53 405	-	-	53 405	53 405	-	-	53 405	45 773	7 632	85.7%	73 629	67 061
Western Cape	44 734	-	-	44 734	44 734	-	-	44 734	43 964	770	98.3%	56 450	52 156
TOTAL	**617 345**	**-**	**-**	**617 345**	**617 345**	**-**	**-**	**617 345**	**594 388**	**22 957**		**861 242**	**799 515**
Summary by grant													
EPWP Integrated Grants for Provinces	311 641	-	-	311 641	311 641	-	-	311 641	291 270	20 371	93.5%	434 762	403 602

	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Province / Grant	**Division of Revenue Act / Provincial grants**	**Roll overs**	**Adjust-ments**	**Total Available**	**Actual transfer**	**Funds withheld**	**Reallocations by National Treasury or National depart-ment**	**Amount received by depart-ment**	**Amount spent by depart-ment**	**Unspent funds**	**% of available funds spent by depart-ment**	**Division of Revenue Act / Provincial grants**	**Actual transfers**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Social Sector EPWP Incentive Grant for Provinces	305 704	-	-	305 704	305 704	-	-	305 704	303 118	2 586	99.2%	426 480	395 913
TOTAL	**617 345**	**-**	**-**	**617 345**	**617 345**	**-**	**-**	**617 345**	**594 388**	**22 957**		**861 242**	**799 515**
EPWP Integrated Grants for Provinces													
Eastern Cape	70 154	-	-	70 154	70 154	-	-	70 154	69 107	1 047	98.5%	108 506	98 238
Free State	19 379	-	-	19 379	19 379	-	-	19 379	19 360	19	99.9%	20 754	19 005
Gauteng	29 563	-	-	29 563	29 563	-	-	29 563	28 704	859	97.1%	35 452	32 398
Kwazulu-Natal	73 185	-	-	73 185	73 185	-	-	73 185	65 710	7 475	89.8%	107 645	105 772
Limpopo	29 664	-	-	29 664	29 664	-	-	29 664	29 190	474	98.4%	43 455	40 057
Mpumalanga	22 332	-	-	22 332	22 332	-	-	22 332	21 048	1 284	94.3%	30 061	27 619
Northern Cape	11 962	-	-	11 962	11 962	-	-	11 962	11 071	891	92.6%	18 043	16 284
North West	34 906	-	-	34 906	34 906	-	-	34 906	27 354	7 552	78.4%	50 048	45 170
Western Cape	20 496	-	-	20 496	20 496	-	-	20 496	19 726	770	96.2%	20 798	19 059
TOTAL	**311 641**	**-**	**-**	**311 641**	**311 641**	**-**	**-**	**311 641**	**291 270**	**20 371**		**434 762**	**403 602**
Social Sector EPWP Incentive Grant for Provinces													
Eastern Cape	66 757	-	-	66 757	66 757	-	-	66 757	66 680	77	99.9%	95 163	88 342

	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Province / Grant	**Division of Revenue Act / Provincial grants**	**Roll overs**	**Adjust-ments**	**Total Available**	**Actual transfer**	**Funds withheld**	**Reallocations by National Treasury or National depart-ment**	**Amount received by depart-ment**	**Amount spent by depart-ment**	**Unspent funds**	**% of available funds spent by depart-ment**	**Division of Revenue Act / Provincial grants**	**Actual transfers**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Free State	16 100	-	-	16 100	16 100	-	-	16 100	15 608	492	96.9%	33 941	31 508
Gauteng	38 696	-	-	38 696	38 696	-	-	38 696	38 541	155	99.6%	55 125	51 174
Kwazulu-Natal	68 213	-	-	68 213	68 213	-	-	68 213	66 800	1 413	97.9%	87 857	81 560
Limpopo	43 539	-	-	43 539	43 539	-	-	43 539	43 404	135	99.7%	57 684	53 550
Mpumalanga	13 023	-	-	13 023	13 023	-	-	13 023	12 847	176	98.6%	23 855	22 145
Northern Cape	16 639	-	-	16 639	16 639	-	-	16 639	16 581	58	99.7%	13 622	12 646
North West	18 499	-	-	18 499	18 499	-	-	18 499	18 419	80	99.6%	23 581	21 891
Western Cape	24 238	-	-	24 238	24 238	-	-	24 238	24 238	-	100%	35 652	33 097
TOTAL	**305 704**	**-**	**-**	**305 704**	**305 704**	**-**	**-**	**304 704**	**303 118**	**2 586**		**426 480**	**395 913**

The Departments certifies that all transfers to Provinces were deposited into the primary bank account in terms of the Division of Revenue Act (DORA) requirements.

National Department surrender of unspent conditional grant not approved for rollover

Name of Province	Related to conditional grants schedule of 2023/24			
	Amount not approved for roll overs	**Amount received**	**Amount surrendered to National Revenue Fund**	**Amount still due**
	R'000	**R'000**	**R'000**	**R'000**
Free State	538	538	538	-
Gauteng	1 354	1 354	1 354	-
Eastern Cape	5	5	5	-
Limpopo	438	438	438	-
Mpumalanga	33	33	33	-
Northern Cape	322	322	322	-
Noth West	12 835	12 835	12 835	-
TOTAL	**15 525**	**15 525**	**15 525**	**-**

32. Statement of conditional grants and other transfers paid to municipalities

	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
	DORA and other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury / National Department	DORA and other transfers	Actual transfer
Name of municipality	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Buffalo City Metro	2 314	-	-	2 314	2 314	-		6 093	6 093
Nelson Mandela Bay Metro	3 480	-	-	3 480	3 480	-		7 928	7 928
Camdeboo	1 359	-	-	1 359	1 359	-		1 118	1 118
Blue Crane Route	1 280	-	-	1 280	1 280	-		1 143	1 143
Makana	1 202	-	-	1 202	1 202	-		1 013	1 013
Ndlambe	1 317	-	-	1 317	1 317	-		1 486	1 486
Sundays River Valley	1 232	-	(283)	949	949	-		686	686
Kouga	1 495	-	-	1 495	1 495	-		2 321	2 321
Kou-Kamma	1 258	-	-	1 258	1 258	-		1 048	1 048
Sarah Baartman District Municipality	1 200	-	-	1 200	1 200	-		2 181	2 181
Mbhashe	1 989	-	-	1 989	1 989	-		1 750	1 750
Mnquma	1 610	-	-	1 610	1 610	-		1 512	1 512
Great Kei	1 207	-	(104)	1 103	1 103	-		973	973
Amahlathi	1 211	-	300	1 511	1 511	-		1 310	1 310

	2024/25							2023/24	
	GRANT ALLOCATION				**TRANSFER**				
	DORA and other transfers	**Roll overs**	**Adjust-ments**	**Total Available**	**Actual transfer**	**Funds withheld**	**Reallocations by National Treasury / National Department**	**DORA and other transfers**	**Actual transfer**
Name of municipality	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Ngqushwa	1 448	-	-	1 448	1 448	-		1 490	1 490
EC 129 Nkonkobe/Nxuba local Governments	2 983	-	-	2 983	2 983	-		3 885	3 885
Amathole District Municipality	1 878	-	-	1 878	1 878	-		3 905	3 905
Inxuba Yethemba	1 454	-	300	1 754	1 754	-		2 050	2 050
Intsika Yethu	1 914	-	-	1 914	1 914	-		1 749	1 749
Emalahleni (EC)	1 756	-	1 800	3 556	3 556	-		2 128	2 128
Engcobo	1 792	-	-	1 792	1 792	-		1 927	1 927
Sakhisizwe	1 423	-	-	1 423	1 423	-		1 208	1 208
EC139 Tsolwana/Inkwanca/Lukanji	2 503	-	-	2 503	2 503	-		2 294	2 294
Chris Hani District Municipality	2 118	-	-	2 118	2 118	-		2 384	2 384
Elundini	2 114	-	-	2 114	2 114	-		1 930	1 930
Senqu	1 620	-	-	1 620	1 620	-		1 194	1 194
EC 145 Maletswai/Gariep Loc Mun	1 309	-	-	1 309	1 309	-		1 201	1 201
Joe Gqabi District Municipality	1 836	-	-	1 836	1 836	-		1 732	1 732
Ngquza Hill	1 593	-	-	1 593	1 593	-		1 384	1 384
Port St Johns	1 676	-	-	1 676	1 676	-		1 805	1 805
Nyandeni	1 661	-	-	1 661	1 661	-		1 707	1 707
Mhlontlo	1 966	-	-	1 966	1 966	-		1 754	1 754

	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
	DORA and other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury / National Department	DORA and other transfers	Actual transfer
Name of municipality	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
King Sabata Dalindyebo	3 268	-	-	3 268	3 268	-		4 001	4 001
O.R. Tambo District Municipality	3 846	-	-	3 846	3 846	-		4 767	4 767
Matatiele	3 880	-	-	3 880	3 880	-		3 974	3 974
Umzimvubu	2 656	-	-	2 656	2 656	-		2 917	2 917
Mbizana	2 981	-	-	2 981	2 981	-		3 042	3 042
Ntabankulu	2 675	-	-	2 675	2 675	-		2 304	2 304
Alfred Nzo District Municipality	3 603	-	-	3 603	3 603	-		5 505	5 505
Mangaung Metro	1 839	-	-	1 839	1 839	-		1 263	1 263
Letsemeng	1 200	-	(190)	1 010	1 010	-		665	665
Kopanong	1 200	-	(347)	853	853	-		1 089	1 089
Mohokare	1 217	-	(295)	922	922	-		-	-
Xhariep District Municipality	1 241	-	-	1 241	1 241	-		921	921
Masilonyana	1 200	-	-	1 200	1 200	-		817	817
Tokologo	1 200	-	(360)	840	840	-		785	785
Tswelopele	1 335	-	600	1 935	1 935	-		1 150	1 150
Matjhabeng	1 460	-	-	1 460	1 460	-		2 774	2 774
Nala	1 200	-	600	1 800	1 800	-		957	957
Lejweleputswa District Municipality	1 322	-	-	1 322	1 322	-		1 428	1 428
Setsoto	1 394	-	600	1 994	1 994	-		1 750	1 750

	2024/25							**2023/24**	
	GRANT ALLOCATION				**TRANSFER**				
	DORA and other transfers	**Roll overs**	**Adjust-ments**	**Total Available**	**Actual transfer**	**Funds withheld**	**Reallocations by National Treasury / National Department**	**DORA and other transfers**	**Actual transfer**
Name of municipality	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Dihlabeng	1 552	-	(1 164)	388	388	-		4 064	4 064
Nketoana	1 200	-	600	1 800	1 800	-		808	808
Maluti-a-Phofung	4 219	-	(1 564)	2 655	2 655	-		5 848	5 848
Phumelela	1 234	-	-	1 234	1 234	-		1 218	1 218
Mantsopa	1 279	-	-	1 279	1 279	-		833	833
Thabo Mofutsanyana District Municipality	1 913	-	600	2 513	2 513	-		3 384	3 384
Moqhaka	1 299	-	(195)	1 104	1 104	-		1 463	1 463
Ngwathe	1 480	-	-	1 480	1 480	-		2 154	2 154
Metsimaholo	1 200	-	-	1 200	1 200	-		950	950
Mafube	1 200	-	(223)	977	977	-		570	570
Fezile Dabi District Municipality	1 200	-	-	1 200	1 200	-		1 097	1 097
Ekurhuleni Metro	9 920	-	-	9 920	9 920	-		31 646	31 646
City of Johannesburg	4 967	-	-	4 967	4 967	-		13 197	13 197
City of Tshwane	18 468	-	-	18 468	18 468	-		15 580	15 580
Emfuleni	3 869	-	-	3 869	3 869	-		1 242	1 242
Midvaal	1 619	-	-	1 619	1 619	-		3 768	3 768
Lesedi	1 214	-	-	1 214	1 214	-		1 091	1 091
Sedibeng District Municipality	1 222	-	-	1 222	1 222	-		1 079	1 079

	2024/25							2023/24	
	GRANT ALLOCATION				**TRANSFER**				
	DORA and other transfers	**Roll overs**	**Adjust-ments**	**Total Available**	**Actual transfer**	**Funds withheld**	**Reallocations by National Treasury / National Department**	**DORA and other transfers**	**Actual transfer**
Name of municipality	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Mogale city	2 501	-	300	2 801	2 801	-		6 366	6 366
Merafong City	1 232	-	-	1 232	1 232	-		1 034	1 034
GT485 new loc mun (Randfnt&Wstrnd)	1 728	-	300	2 028	2 028	-		2 548	2 548
West Rand District Municipality	1 250	-	-	1 250	1 250	-		1 203	1 203
eThekwini	18 790	-	-	18 790	18 790	-		60 790	60 790
uMdoni	1 249	-	-	1 249	1 249	-		1 601	1 601
uMzumbe	1 400	-	-	1 400	1 400	-		1 431	1 431
uMuziwabantu	1 497	-	-	1 497	1 497	-		1 155	1 155
Hibiscus Coast	3 255	-	-	3 255	3 255	-		5 084	5 084
Ugu District Municipality	2 864	-	-	2 864	2 864	-		3 606	3 606
uMshwathi	1 760	-	-	1 760	1 760	-		2 968	2 968
uMgeni	1 336	-	-	1 336	1 336	-		2 199	2 199
Mpofana	1 267	-	300	1 567	1 567	-		1 215	1 215
iMpendle	1 645	-	-	1 645	1 645	-		1 545	1 545
Msunduzi	2 092	-	-	2 092	2 092	-		4 701	4 701
Mkhambathi	1 541	-	(230)	1 311	1 311	-		1 456	1 456
Richmond	1 410	-	-	1 410	1 410	-		1 125	1 125

	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
	DORA and other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury / National Department	DORA and other transfers	Actual transfer
Name of municipality	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
uMgungundlovu District Municipality	1 889	-	-	1 889	1 889	-		2 794	2 794
Okhahlamba	2 657	-	-	2 657	2 657	-		2 437	2 437
KZN 237 Umtshezi/imbabazane LC Mu	1 807	-	-	1 807	1 807	-		1 860	1 860
KZN 238 Ladysmith/ indaka loc Mun	2 471	-	-	2 471	2 471	-		2 808	2 808
uThukela District Municipality	1 685	-	-	1 685	1 685	-		1 816	1 816
eNdumeni	1 561	-	-	1 561	1 561	-		1 542	1 542
Nquthu	1 478	-	-	1 478	1 478	-		1 162	1 162
uMsinga	3 287	-	-	3 287	3 287	-		4 046	4 046
uMvoti	2 115	-	-	2 115	2 115	-		2 967	2 967
uMzinyathi District Municipality	5 349	-	-	5 349	5 349	-		4 942	4 942
Newcastle	1 896	-	-	1 896	1 896	-		2 932	2 932
eMadlangeni	1 331	-	-	1 331	1 331	-		1 124	1 124
Dannhauser	1 770	-	-	1 770	1 770	-		950	950
Amajuba District Municipality	1 551	-	-	1 551	1 551	-		2 901	2 901
eDumbe	1 482	-	-	1 482	1 482	-		1 638	1 638
uMphongolo	1 990	-	-	1 990	1 990	-		2 169	2 169
AbaQulusi	1 793	-	-	1 793	1 793	-		2 220	2 220

	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
	DORA and other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury / National Department	DORA and other transfers	Actual transfer
Name of municipality	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Nongoma	2 307	-	-	2 307	2 307	-		2 130	2 130
Ulundi	2 420	-	-	2 420	2 420	-		3 681	3 681
Zululand District Municipality	5 227	-	-	5 227	5 227	-		7 077	7 077
uMhlabuyalingana	2 452	-	-	2 452	2 452	-		2 037	2 037
Jozini	3 674	-	-	3 674	3 674	-		3 184	3 184
Mtubatuba	2 226	-	-	2 226	2 226	-		2 100	2 100
KZN 276 Big Five Hlabisa loc Mu	1 909	-	-	1 909	1 909	-		1 906	1 906
uMkhanyakude District Municipality	4 270	-	-	4 270	4 270	-		5 082	5 082
uMfolozi	2 099	-	-	2 099	2 099	-		2 012	2 012
Umhlathuze	2 674	-	(237)	2 437	2 437	-		2 916	2 916
uMlalazi	2 787	-	-	2 787	2 787	-		3 146	3 146
Mthonjaneni	2 243	-	-	2 243	2 243	-		2 092	2 092
Nkandla	2 477	-	-	2 477	2 477	-		3 651	3 651
King Cetshwayo Municipality	4 040	-	300	4 340	4 340	-		5 534	5 534
Mandeni	1 815	-	-	1 815	1 815	-		2 553	2 553
KwaDukuza	1 589	-	-	1 589	1 589	-		1 624	1 624
Ndwedwe	2 067	-	-	2 067	2 067	-		1 760	1 760
Maphumulo	1 536	-	322	1 858	1 858	-		1 524	1 524

	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
	DORA and other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury / National Department	DORA and other transfers	Actual transfer
Name of municipality	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
iLembe District Municipality	3 071	-	-	3 071	3 071	-		3 840	3 840
Greater Kokstad	1 657	-	-	1 657	1 657	-		2 508	2 508
uBuhlebezwe	1 620	-	-	1 620	1 620	-		7 394	7 394
uMzimkhulu	2 471	-	-	2 471	2 471	-		2 594	2 594
KZN Ingwe/Kwa Sani Loc MU	1 832	-	-	1 832	1 832	-		2 178	2 178
Harry Gwala District Municipality	4 460	-	-	4 460	4 460	-		5 823	5 823
Greater Giyani	3 348	-	300	3 648	3 648	-		3 151	3 151
Greater Letaba	1 874	-	-	1 874	1 874	-		1 564	1 564
Greater Tzaneen	5 011	-	-	5 011	5 011	-		5 110	5 110
Ba-Phalaborwa	1 769	-	-	1 769	1 769	-		1 470	1 470
Maruleng	1 616	-	-	1 616	1 616	-		1 295	1 295
Mopani District Municipality	6 799	-	-	6 799	6 799	-		8 226	8 226
Musina	1 975	-	300	2 275	2 275	-		1 287	1 287
Thulamela	3 683	-	-	3 683	3 683	-		4 237	4 237
Makhado	2 560	-	-	2 560	2 560	-		2 768	2 768
LIM 345	1 725	-	-	1 725	1 725	-		1 404	1 404
Vhembe District Municipality	5 114	-	-	5 114	5 114	-		6 394	6 394
Blouberg	2 005	-	-	2 005	2 005	-		1 185	1 185
Molemole	1 386	-	-	1 386	1 386	-		1 219	1 219

	2024/25							2023/24	
	GRANT ALLOCATION				**TRANSFER**				
	DORA and other transfers	**Roll overs**	**Adjust-ments**	**Total Available**	**Actual transfer**	**Funds withheld**	**Reallocations by National Treasury / National Department**	**DORA and other transfers**	**Actual transfer**
Name of municipality	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Polokwane	6 117	-	-	6 117	6 117	-		11 135	11 135
Lepele-Nkumpi	1 756	-	-	1 756	1 756	-		1 244	1 244
Capricorn District Municipality	2 773	-	-	2 773	2 773	-		3 118	3 118
Thabazimbi	1 360	-	(408)	952	952	-		1 370	1 370
Lephalale	1 311	-	-	1 311	1 311	-		1 035	1 035
Bela-Bela	1 502	-	-	1 502	1 502	-		1 302	1 302
Mogalakwena	1 610	-	-	1 610	1 610	-		1 151	1 151
LIM 368 Modimolle/Mookgopong	1 641	-	-	1 641	1 641	-		1 757	1 757
Waterberg District Municipality	1 200	-	-	1 200	1 200	-		-	-
Ephraim Mogale	1 549	-	-	1 549	1 549	-		2 560	2 560
Elias Motsoaledi	2 609	-	-	2 609	2 609	-		2 243	2 243
Makhuduthamaga	2 348	-	300	2 648	2 648	-		1 783	1 783
LIM 476 Greater Tubatse/Fetakgomo	1 742	-	-	1 742	1 742	-		1 463	1 463
Greater Sekhukhune District Municipality	10 676	-	-	10 676	10 676	-		15 355	15 355
Chief Albert Luthuli	2 580	-	-	2 580	2 580	-		2 103	2 103
Msukaligwa	1 285	-	-	1 285	1 285	-		1 511	1 511
Mkhondo	2 004	-	-	2 004	2 004	-		2 136	2 136

	2024/25							2023/24	
	GRANT ALLOCATION				**TRANSFER**				
	DORA and other transfers	**Roll overs**	**Adjust-ments**	**Total Available**	**Actual transfer**	**Funds withheld**	**Reallocations by National Treasury / National Department**	**DORA and other transfers**	**Actual transfer**
Name of municipality	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Dr Pixley ka Seme	1 931	-	-	1 931	1 931	-		3 209	3 209
Lekwa	1 760	-	(1 320)	440	440	-		1 643	1 643
Dipaleseng	1 285	-	-	1 285	1 285	-		1 156	1 156
Govan Mbeki	1 597	-	-	1 597	1 597	-		1 900	1 900
Gert Sibande District Municipality	1 718	-	892	2 610	2 610	-		1 947	1 947
Victor Khanye	1 361	-	300	1 661	1 661	-		1 434	1 434
Emalahleni	3 193	-	-	3 193	3 193	-		5 338	5 338
Steve Tshwete	1 808	-	-	1 808	1 808	-		4 058	4 058
Emakhazeni	1 434	-	-	1 434	1 434	-		2 862	2 862
Thembisile Hani	2 217	-	-	2 217	2 217	-		5 166	5 166
Dr JS Moroka	2 155	-	-	2 155	2 155	-		3 824	3 824
Nkangala District Municipality	1 706	-	-	1 706	1 706	-		2 094	2 094
Thaba Chweu	1 608	-	-	1 608	1 608	-		1 731	1 731
Nkomazi	2 436	-	-	2 436	2 436	-		3 510	3 510
Bushbuckridge	3 149	-	-	3 149	3 149	-		3 243	3 243
MP 326 Mbombela/Umjindi Loc Mu	5 117	-	-	5 117	5 117	-		6 658	6 658
Ehlanzeni District Municipality	1 389	-	-	1 389	1 389	-		2 995	2 995
Richtersveld	1 200	-	(161)	1 039	1 039	-		950	950
Nama Khoi	1 230	-	660	1 890	1 890	-		1 103	1 103

	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
	DORA and other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury / National Department	DORA and other transfers	Actual transfer
Name of municipality	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Kamiesberg	1 200	-	-	1 200	1 200	-		665	665
Hantam	1 213	-	-	1 213	1 213	-		1 364	1 364
Karoo Hoogland	1 200	-	(900)	300	300	-		796	796
Khâi-Ma	1 200	-	(429)	771	771	-		-	-
Namakwa District Municipality	1 206	-	-	1 206	1 206	-		950	950
Ubuntu	1 200	-	-	1 200	1 200	-		978	978
Umsobomvu	1 200	-	-	1 200	1 200	-		787	787
Emthanjeni	1 200	-	(180)	1 020	1 020	-		665	665
Kareeberg	1 200	-	-	1 200	1 200	-		666	666
Renosterberg	1 200	-	-	1 200	1 200	-		-	-
Thembelihle	1 200	-	-	1 200	1 200	-		-	-
Siyathemba	1 200	-	-	1 200	1 200	-		665	665
Siyancuma	1 200	-	660	1 860	1 860	-		900	900
Pixley Ka Seme District Municipality	1 200	-	(91)	1 109	1 109	-		950	950
!Kai !Garib	1 248	-	-	1 248	1 248	-		1 021	1 021
!Kheis	1 200	-	(900)	300	300	-		-	-
Tsantsabane	1 200	-	660	1 860	1 860	-		950	950
Kgatelopele	1 200	-	-	1 200	1 200	-		960	960
NC087 Khara Hais/Mier Loc Mu	1 200	-	-	1 200	1 200	-		950	950

	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
	DORA and other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury / National Department	DORA and other transfers	Actual transfer
Name of municipality	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Z.F. Mqcawu District Municipality	1 251	-	(360)	891	891	-		999	999
Sol Plaatjie	2 267	-	660	2 927	2 927	-		3 102	3 102
Dikgatlong	1 278	-	-	1 278	1 278	-		920	920
Magareng	1 242	-	-	1 242	1 242	-		712	712
Phokwane	1 200	-	(136)	1 064	1 064	-		-	-
Frances Baard District Municipality	1 274	-	-	1 274	1 274	-		959	959
Joe Morolong	1 231	-	-	1 231	1 231	-		2 159	2 159
Ga-Segonyana	1 271	-	-	1 271	1 271	-		1 111	1 111
Gamagara	1 217	-	-	1 217	1 217	-		950	950
John Taolo Gaetsewe District Municipality	1 235	-	-	1 235	1 235	-		950	950
Moretele	1 550	-	(232)	1 318	1 318	-		2 713	2 713
Madibeng	1 293	-	-	1 293	1 293	-		831	831
Rustenburg	1 572	-	-	1 572	1 572	-		2 196	2 196
Kgetlengrivier	1 209	-	-	1 209	1 209	-		950	950
Moses Kotane	1 359	-	(235)	1 124	1 124	-		1 629	1 629
Bojanala Platinum District Municipality	1 361	-	(1 020)	341	341	-		1 256	1 256
Ratlou	1 589	-	-	1 589	1 589	-		1 234	1 234

	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
	DORA and other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury / National Department	DORA and other transfers	Actual transfer
Name of municipality	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Tswaing	1 329	-	-	1 329	1 329	-		1 099	1 099
Mafikeng	1 550	-	-	1 550	1 550	-		2 944	2 944
Ditsobotla	1 213	-	-	1 213	1 213	-		-	-
Ramotshere Moiloa	1 812	-	660	2 472	2 472	-		1 715	1 715
Ngaka Modiri Molema District Municipality	2 291	-	-	2 291	2 291	-		1 845	1 845
Naledi	1 203	-	(180)	1 023	1 023	-		1 133	1 133
Mamusa	1 516	-	-	1 516	1 516	-		1 094	1 094
Greater Taung	1 715	-	-	1 715	1 715	-		3 049	3 049
Lekwa-Teemane	1 200	-	-	1 200	1 200	-		950	950
Molopo- kagisano	2 036	-	-	2 036	2 036	-		1 321	1 321
Dr Ruth Segomotsi Mompati District Municipality	1 287	-	-	1 287	1 287	-		1 079	1 079
City of Matlosana	1 555	-	-	1 555	1 555	-		2 789	2 789
Maquassi Hills	1 314	-	-	1 314	1 314	-		1 316	1 316
NW405 Ventersdorp/Tlokwe loc mun	2 177	-	-	2 177	2 177	-		2 689	2 689
Dr Kenneth Kaunda District Municipality	1 452	-	(330)	1 122	1 122	-		2 177	2 177

	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
	DORA and other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury / National Department	DORA and other transfers	Actual transfer
Name of municipality	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
City of Cape Town	26 664	-	-	26 664	26 664	-		59 093	59 093
Matzikama	1 389	-	-	1 389	1 389	-		2 859	2 859
Cederberg	1 534	-	-	1 534	1 534	-		1 658	1 658
Bergrivier	1 436	-	-	1 436	1 436	-		2 712	2 712
Saldanha Bay	1 368	-	-	1 368	1 368	-		2 125	2 125
Swartland	1 593	-	-	1 593	1 593	-		1 830	1 830
West Coast District Municipality	1 282	-	-	1 282	1 282	-		1 242	1 242
Witzenberg	1 559	-	-	1 559	1 559	-		3 247	3 247
Drakenstein	2 062	-	-	2 062	2 062	-		4 363	4 363
Stellenbosch	2 021	-	-	2 021	2 021	-		4 519	4 519
Breede Valley	1 895	-	-	1 895	1 895	-		4 789	4 789
Langeberg	1 645	-	-	1 645	1 645	-		3 174	3 174
Cape Winelands District Municipality	1 249	-	-	1 249	1 249	-		2 271	2 271
Theewaterskloof	1 563	-	-	1 563	1 563	-		1 684	1 684
Overstrand	1 898	-	-	1 898	1 898	-		3 366	3 366
Cape Agulhas	1 363	-	-	1 363	1 363	-		2 181	2 181
Swellendam	1 305	-	-	1 305	1 305	-		1 541	1 541
Overberg District Municipality	1 265	-	-	1 265	1 265	-		1 192	1 192

	2024/25							2023/24	
	GRANT ALLOCATION				**TRANSFER**				
	DORA and other transfers	**Roll overs**	**Adjust-ments**	**Total Available**	**Actual transfer**	**Funds withheld**	**Reallocations by National Treasury / National Department**	**DORA and other transfers**	**Actual transfer**
Name of municipality	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Kannaland	1 255	-	-	1 255	1 255	-		1 220	1 220
Hessequa	1 236	-	-	1 236	1 236	-		1 174	1 174
Mossel Bay	1 967	-	-	1 967	1 967	-		4 333	4 333
George	1 966	-	-	1 966	1 966	-		4 173	4 173
Oudtshoorn	1 492	-	-	1 492	1 492	-		1 672	1 672
Bitou	1 474	-	-	1 474	1 474	-		1 879	1 879
Knysna	1 279	-	-	1 279	1 279	-		1 264	1 264
Eden District Municipality	1 545	-	-	1 545	1 545	-		2 180	2 180
Laingsburg	1 209	-	-	1 209	1 209	-		1 173	1 173
Prince Albert	1 200	-	-	1 200	1 200	-		769	769
Beaufort West	1 226	-	-	1 226	1 226	-		1 372	1 372
Central Karoo District Municipality	1 203	-	(240)	963	963	-		2 314	2 314
TOTAL	**560 103**	**-**	**-**	**560 103**	**560 103**	**-**		**748 975**	**748 975**

The Departments certifies that all transfers to Municipalities were deposited into the primary bank account in terms of the Division of Revenue Act (DORA) requirements.

ANNEXURE 1A

STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Municipality	DoRA and Other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National depart-ment	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual transfers
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Buffalo City Metro	2 314	-	-	2 314	2 314	-	-	2 314	2 314	-	100.0%	6 093	6 093
Nelson Mandela Bay Metro	3 480	-	-	3 480	3 480	-	-	3 480	2 965	515	85.2%	7 928	7 928
Camdeboo	1 359	-	-	1 359	1 359	-	-	1 359	1 055	304	77.6%	1 118	1 118
Blue Crane Route	1 280	-	-	1 280	1 280	-	-	1 280	1 272	8	99.4%	1 143	1 143
Makana	1 202	-	-	1 202	1 202	-	-	1 202	750	452	62.4%	1 013	1 013
Ndlambe	1 317	-	-	1 317	1 317	-	-	1 317	1 317	-	100.0%	1 486	1 486
Sundays River Valley	1 232	-	(283)	949	949	-	-	949	789	160	83.1%	686	686
Kouga	1 495	-	-	1 495	1 495	-	-	1 495	787	708	52.6%	2 321	2 321
Kou-Kamma	1 258	-	-	1 258	1 258	-	-	1 258	730	528	58.0%	1 048	1 048

	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Municipality	**DoRA and Other transfers**	**Roll overs**	**Adjust-ments**	**Total Available**	**Actual transfer**	**Funds withheld**	**Re-allocations by National Treasury or National depart-ment**	**Amount received by municipality**	**Amount spent by municipality**	**Unspent funds**	**% of available funds spent by municipality**	**DORA and other transfers**	**Actual transfers**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Sarah Baartman District Municipality	1 200	-	-	1 200	1 200	-	-	1 200	1 158	42	96.5%	2 181	2 181
Mbhashe	1 989	-	-	1 989	1 989	-	-	1 989	1 989	-	100.0%	1 750	1 750
Mnquma	1 610	-	-	1 610	1 610	-	-	1 610	1 351	259	83.9%	1 512	1 512
Great Kei	1 207	-	(104)	1 103	1 103	-	-	1 103	674	429	61.1%	973	973
Amahlathi	1 211	-	300	1 511	1 511	-	-	1 511	1 211	300	80.1%	1 310	1 310
Ngqushwa	1 448	-	-	1 448	1 448	-	-	1 448	1 206	242	83.3%	1 490	1 490
EC 129 Nkonkobe/Nxuba local Governments	2 983	-	-	2 983	2 983	-	-	2 983	2 983	-	100.0%	3 885	3 885
Amathole District Municipality	1 878	-	-	1 878	1 878	-	-	1 878	1 414	464	75.3%	3 905	3 905
Inxuba Yethemba	1 454	-	300	1 754	1 754	-	-	1 754	1 754	-	100.0%	2 050	2 050
Intsika Yethu	1 914	-	-	1 914	1 914	-	-	1 914	1 885	29	98.5%	1 749	1 749
Emalahleni (EC)	1 756	-	1 800	3 556	3 556	-	-	3 556	1 751	1 805	49.2%	2 128	2 128

	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Municipality	**DoRA and Other transfers**	**Roll overs**	**Adjust-ments**	**Total Available**	**Actual transfer**	**Funds withheld**	**Re-allocations by National Treasury or National depart-ment**	**Amount received by municipality**	**Amount spent by municipality**	**Unspent funds**	**% of available funds spent by municipality**	**DORA and other transfers**	**Actual transfers**
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Engcobo	1 792	-	-	1 792	1 792	-	-	1 792	1 299	493	72.5%	1 927	1 927
Sakhisizwe	1 423	-	-	1 423	1 423	-	-	1 423	1 395	28	98.0%	1 208	1 208
EC139 Tsolwana/Inkwanca/Lukanji	2 503	-	-	2 503	2 503	-	-	2 503	1 876	627	75.0%	2 294	2 294
Chris Hani District Municipality	2 118	-	-	2 118	2 118	-	-	2 118	2 095	23	98.9%	2 384	2 384
Elundini	2 114	-	-	2 114	2 114	-	-	2 114	2 114	-	100.0%	1 930	1 930
Senqu	1 620	-	-	1 620	1 620	-	-	1 620	1 620	-	100.0%	1 194	1 194
EC 145 Maletswai/Gariep Loc Mun	1 309	-	-	1 309	1 309	-	-	1 309	900	409	68.8%	1 201	1 201
Joe Gqabi District Municipality	1 836	-	-	1 836	1 836	-	-	1 836	1 806	30	98.4%	1 732	1 732
Ngquza Hill	1 593	-	-	1 593	1 593	-	-	1 593	1 593	-	100.0%	1 384	1 384
Port St Johns	1 676	-	-	1 676	1 676	-	-	1 676	1 676	-	100.0%	1 805	1 805
Nyandeni	1 661	-	-	1 661	1 661	-	-	1 661	1 661	-	100.0%	1 707	1 707

	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Municipality	DoRA and Other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National depart-ment	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual transfers
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Mhlontlo	1 966	-	-	1 966	1 966	-	-	1 966	1 269	697	64.5%	1 754	1 754
King Sabata Dalindyebo	3 268	-	-	3 268	3 268	-	-	3 268	3 098	170	94.8%	4 001	4 001
O.R. Tambo District Municipality	3 846	-	-	3 846	3 846	-	-	3 846	3 846	-	100.0%	4 767	4 767
Matatiele	2 656	-	-	2 656	3 880	-	-	3 880	3 880	-	0.0%	3 974	3 974
Umzimvubu	3 880	-	-	3 880	2 656	-	-	2 656	2 656	-	100.0%	2 917	2 917
Mbizana	2 981	-	-	2 981	2 981	-	-	2 981	2 711	270	90.9%	3 042	3 042
Ntabankulu	2 675	-	-	2 675	2 675	-	-	2 675	2 170	505	81.1%	2 304	2 304
Alfred Nzo District Municipality	3 603	-	-	3 603	3 603	-	-	3 603	3 547	56	98.4%	5 505	5 505
Mangaung Metro	1 839	-	-	1 839	1 839	-	-	1 839	1 251	588	68.0%	1 263	1 263
Letsemeng	1 200	-	(190)	1 010	1 010	-	-	1 010	751	259	74.4%	665	665
Kopanong	1 200	-	(347)	853	853	-	-	853	556	297	65.2%	1 089	1 089
Mohokare	1 217	-	(295)	922	922	-	-	922	775	147	84.1%		

	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Municipality	**DoRA and Other transfers**	**Roll overs**	**Adjust-ments**	**Total Available**	**Actual transfer**	**Funds withheld**	**Re-allocations by National Treasury or National depart-ment**	**Amount received by municipality**	**Amount spent by municipality**	**Unspent funds**	**% of available funds spent by municipality**	**DORA and other transfers**	**Actual transfers**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Xhariep District Municipality	1 241	-	-	1 241	1 241	-	-	1 241	810	431	65.3%	921	921
Masilonyana	1 200	-	-	1 200	1 200	-	-	1 200	513	687	42.8%	817	817
Tokologo	1 200	-	(360)	840	840	-	-	840	438	402	52.1%	785	785
Tswelopele	1 335	-	600	1 935	1 935	-	-	1 935	1 756	179	90.7%	1 150	1 150
Matjhabeng	1 460	-	-	1 460	1 460	-	-	1 460	1 460	-	100.0%	2 774	2 774
Nala	1 200	-	600	1 800	1 800	-	-	1 800	1 200	600	66.7%	957	957
Lejweleputswa District Municipality	1 322	-	-	1 322	1 322	-	-	1 322	1 276	46	96.5%	1 428	1 428
Setsoto	1 394	-	600	1 994	1 994	-	-	1 994	1 863	131	93.4%	1 750	1 750
Dihlabeng	1 552	-	(1 164)	388	388	-	-	388	388	-	100.0%	4 064	4 064
Nketoana	1 200	-	600	1 800	1 800	-	-	1 800	1 200	600	66.7%	808	808
Maluti-a-Phofung	4 219	-	(1 564)	2 655	2 655	-	-	2 655	2 655	-	100.0%	5 848	5 848
Phumelela	1 234	-	-	1 234	1 234	-	-	1 234	1 066	168	86.4%	1 218	1 218
Mantsopa	1 279	-	-	1 279	1 279	-	-	1 279	841	438	65.8%	833	833

Name of Municipality	2024/25 GRANT ALLOCATION DoRA and Other transfers R'000	Roll overs R'000	Adjust-ments R'000	Total Available R'000	TRANSFER Actual transfer R'000	Funds withheld R'000	Re-allocations by National Treasury or National department %	SPENT Amount received by municipality R'000	Amount spent by municipality R'000	Unspent funds R'000	% of available funds spent by municipality %	2023/24 DORA and other transfers R'000	Actual transfers R'000
Thabo Mofutsanyana District Municipality	1 913	-	600	2 513	2 513	-	-	2 513	2 319	194	92.3%	3 384	3 384
Moqhaka	1 299	-	(195)	1 104	1 104	-	-	1 104	719	385	65.1%	1 463	1 463
Ngwathe	1 480	-	-	1 480	1 480	-	-	1 480	1 307	173	88.3%	2 154	2 154
Metsimaholo	1 200	-	-	1 200	1 200	-	-	1 200	1 029	171	85.8%	950	950
Mafube	1 200	-	(223)	977	977	-	-	977	902	75	92.3%	570	570
Fezile Dabi District Municipality	1 200	-	-	1 200	1 200	-	-	1 200	1 200	-	100.0%	1 097	1 097
Ekurhuleni Metro	9 920	-	-	9 920	9 920	-	-	9 920	7 617	2 303	76.8%	31 646	31 646
City of Johannesburg	4 967	-	-	4 967	4 967	-	-	4 967	3 726	1 241	75.0%	13 197	13 197
City of Tshwane	18 468	-	-	18 468	18 468	-	-	18 468	18 468	-	100.0%	15 580	15 580
Emfuleni	3 869	-	-	3 869	3 869	-	-	3 869	3 289	580	85.0%	1 242	1 242
Midvaal	1 619	-	-	1 619	1 619	-	-	1 619	1 619	-	100.0%	3 768	3 768

	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Municipality	DoRA and Other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National depart-ment	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual transfers
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Lesedi	1 214	-	-	1 214	1 214	-	-	1 214	712	502	58.6%	1 091	1 091
Sedibeng District Municipality	1 222	-	-	1 222	1 222	-	-	1 222	1 222	-	100.0%	1 079	1 079
Mogale city	2 501	-	300	2 801	2 801	-	-	2 801	2 501	300	89.3%	6 366	6 366
Merafong City	1 232	-	-	1 232	1 232	-	-	1 232	1 232	-	100.0%	1 034	1 034
GT485 new loc mun (Randfnt&Wstrnd)	1 728	-	300	2 028	2 028	-	-	2 028	1 728	300	85.2%	2 548	2 548
West Rand District Municipality	1 250	-	-	1 250	1 250	-	-	1 250	922	328	73.8%	1 203	1 203
eThekwini	18 790	-	-	18 790	18 790	-	-	18 790	18 790	-	100.0%	60 790	60 790
uMdoni	1 249	-	-	1 249	1 249	-	-	1 249	1 249	-	100.0%	1 601	1 601
uMzumbe	1 400	-	-	1 400	1 400	-	-	1 400	1 400	-	100.0%	1 431	1 431
uMuziwabantu	1 497	-	-	1 497	1 497	-	-	1 497	1 394	103	93.1%	1 155	1 155
Hibiscus Coast	3 255	-	-	3 255	3 255	-	-	3 255	2 289	966	70.3%	5 084	5 084

	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Municipality	**DoRA and Other transfers**	**Roll overs**	**Adjust-ments**	**Total Available**	**Actual transfer**	**Funds withheld**	**Re-allocations by National Treasury or National depart-ment**	**Amount received by municipality**	**Amount spent by municipality**	**Unspent funds**	**% of available funds spent by municipality**	**DORA and other transfers**	**Actual transfers**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Ugu District Municipality	2 864	-	-	2 864	2 864	-	-	2 864	1 991	873	69.5%	3 606	3 606
uMshwathi	1 760	-	-	1 760	1 760	-	-	1 760	1 760	-	100.0%	2 968	2 968
uMgeni	1 336	-	-	1 336	1 336	-	-	1 336	1 336	-	100.0%	2 199	2 199
Mpofana	1 267	-	300	1 567	1 567	-	-	1 567	1 567	-	100.0%	1 215	1 215
iMpendle	1 645	-	-	1 645	1 645	-	-	1 645	1 645	-	100.0%	1 545	1 545
Msunduzi	2 092	-	-	2 092	2 092	-	-	2 092	2 085	7	99.7%	4 701	4 701
Mkhambathi	1 541	-	(230)	1 311	1 311	-	-	1 311	1 311	-	100.0%	1 456	1 456
Richmond	1 410	-	-	1 410	1 410	-	-	1 410	1 192	218	84.5%	1 125	1 125
uMgungundlovu District Municipality	1 889	-	-	1 889	1 889	-	-	1 889	1 454	435	77.0%	2 794	2 794
Okhahlamba	2 657	-	-	2 657	2 657	-	-	2 657	2 657	-	100.0%	2 437	2 437
KZN 237 Umtshezi/imbabazane LC Mu	1 807	-	-	1 807	1 807	-	-	1 807	1 531	276	84.7%	1 860	1 860

	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Municipality	**DoRA and Other transfers**	**Roll overs**	**Adjust-ments**	**Total Available**	**Actual transfer**	**Funds withheld**	**Re-allocations by National Treasury or National depart-ment**	**Amount received by municipality**	**Amount spent by municipality**	**Unspent funds**	**% of available funds spent by municipality**	**DORA and other transfers**	**Actual transfers**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
KZN 238 Ladysmith/ indaka loc Mun	2 471	-	-	2 471	2 471	-	-	2 471	2 471	-	100.0%	2 808	2 808
uThukela District Municipality	1 685	-	-	1 685	1 685	-	-	1 685	1 124	561	66.7%	1 816	1 816
eNdumeni	1 561	-	-	1 561	1 561	-	-	1 561	1 148	413	73.5%	1 542	1 542
Nquthu	1 478	-	-	1 478	1 478	-	-	1 478	1 478	-	100.0%	1 162	1 162
uMsinga	3 287	-	-	3 287	3 287	-	-	3 287	3 287	-	100.0%	4 046	4 046
uMvoti	2 115	-	-	2 115	2 115	-	-	2 115	2 115	-	100.0%	2 967	2 967
uMzinyathi District Municipality	5 349	-	-	5 349	5 349	-	-	5 349	2 884	2 465	53.9%	4 942	4 942
Newcastle	1 896	-	-	1 896	1 896	-	-	1 896	1 676	220	88.4%	2 932	2 932
eMadlangeni	1 331	-	-	1 331	1 331	-	-	1 331	1 012	319	76.0%	1 124	1 124
Dannhauser	1 770	-	-	1 770	1 770	-	-	1 770	1 256	514	71.0%	950	950
Amajuba District Municipality	1 551	-	-	1 551	1 551	-	-	1 551	1 551	-	100.0%	2 901	2 901

	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Municipality	**DoRA and Other transfers**	**Roll overs**	**Adjust-ments**	**Total Available**	**Actual transfer**	**Funds withheld**	**Re-allocations by National Treasury or National depart-ment**	**Amount received by municipality**	**Amount spent by municipality**	**Unspent funds**	**% of available funds spent by municipality**	**DORA and other transfers**	**Actual transfers**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
eDumbe	1 482	-	-	1 482	1 482	-	-	1 482	1 281	201	86.4%	1 638	1 638
uMphongolo	1 990	-	-	1 990	1 990	-	-	1 990	1 990	-	100.0%	2 169	2 169
AbaQulusi	1 793	-	-	1 793	1 793	-	-	1 793	1 793	-	100.0%	2 220	2 220
Nongoma	2 307	-	-	2 307	2 307	-	-	2 307	2 307	-	100.0%	2 130	2 130
Ulundi	2 420	-	-	2 420	2 420	-	-	2 420	2 420	-	100.0%	3 681	3 681
Zululand District Municipality	5 227	-	-	5 227	5 227	-	-	5 227	5 227	-	100.0%	7 077	7 077
uMhlabuyalingana	2 452	-	-	2 452	2 452	-	-	2 452	2 452	-	100.0%	2 037	2 037
Jozini	3 674	-	-	3 674	3 674	-	-	3 674	3 674	-	100.0%	3 184	3 184
Mtubatuba	2 226	-	-	2 226	2 226	-	-	2 226	2 226	-	100.0%	2 100	2 100
KZN 276 Big Five Hlabisa loc Mu	1 909	-	-	1 909	1 909	-	-	1 909	1 909	-	100.0%	1 906	1 906
uMkhanyakude District Municipality	4 270	-	-	4 270	4 270	-	-	4 270	4 270	-	100.0%	5 082	5 082
uMfolozi	2 099	-	-	2 099	2 099	-	-	2 099	2 099	-	100.0%	2 012	2 012

	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Municipality	DoRA and Other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National depart-ment	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual transfers
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Umhlathuze	2 674	-	(237)	2 437	2 437	-	-	2 437	1 478	959	60.6%	2 916	2 916
uMlalazi	2 787	-	-	2 787	2 787	-	-	2 787	2 253	534	80.8%	3 146	3 146
Mthonjaneni	2 243	-	-	2 243	2 243	-	-	2 243	2 243	-	100.0%	2 092	2 092
Nkandla	2 477	-	-	2 477	2 477	-	-	2 477	2 477	-	100.0%	3 651	3 651
King Cetshwayo Municipality	4 040	-	300	4 340	4 340	-	-	4 340	4 041	299	93.1%	5 534	5 534
Mandeni	1 815	-	-	1 815	1 815	-	-	1 815	1 815	-	100.0%	2 553	2 553
KwaDukuza	1 589	-	-	1 589	1 589	-	-	1 589	1 589	-	100.0%	1 624	1 624
Ndwedwe	2 067	-	-	2 067	2 067	-	-	2 067	1 637	430	79.2%	1 760	1 760
Maphumulo	1 536	-	322	1 858	1 858	-	-	1 858	1 536	322	82.7%	1 524	1 524
iLembe District Municipality	3 071	-	-	3 071	3 071	-	-	3 071	3 071	-	100.0%	3 840	3 840
Greater Kokstad	1 657	-	-	1 657	1 657	-	-	1 657	1 657	-	100.0%	2 508	2 508
uBuhlebezwe	1 620	-	-	1 620	1 620	-	-	1 620	1 620	-	100.0%	7 394	7 394
uMzimkhulu	2 471	-	-	2 471	2 471	-	-	2 471	2 471	-	100.0%	2 594	2 594

	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Municipality	**DoRA and Other transfers**	**Roll overs**	**Adjust-ments**	**Total Available**	**Actual transfer**	**Funds withheld**	**Re-allocations by National Treasury or National depart-ment**	**Amount received by municipality**	**Amount spent by municipality**	**Unspent funds**	**% of available funds spent by municipality**	**DORA and other transfers**	**Actual transfers**
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
KZN Ingwe/Kwa Sani Loc MU	1 832	-	-	1 832	1 832	-	-	1 832	1 832	-	100.0%	2 178	2 178
Harry Gwala District Municipality	4 460	-	-	4 460	4 460	-	-	4 460	4 460	-	100.0%	5 823	5 823
Greater Giyani	3 348	-	300	3 648	3 648	-	-	3 648	3 648	-	100.0%	3 151	3 151
Greater Letaba	1 874	-	-	1 874	1 874	-	-	1 874	1 874	-	100.0%	1 564	1 564
Greater Tzaneen	5 011	-	-	5 011	5 011	-	-	5 011	5 011	-	100.0%	5 110	5 110
Ba-Phalaborwa	1 769	-	-	1 769	1 769	-	-	1 769	1 341	428	75.8%	1 470	1 470
Maruleng	1 616	-	-	1 616	1 616	-	-	1 616	1 498	118	92.7%	1 295	1 295
Mopani District Municipality	6 799	-	-	6 799	6 799	-	-	6 799	5 562	1 237	81.8%	8 226	8 226
Musina	1 975	-	300	2 275	2 275	-	-	2 275	2 275	-	100.0%	1 287	1 287
Thulamela	3 683	-	-	3 683	3 683	-	-	3 683	3 683	-	100.0%	4 237	4 237
Makhado	2 560	-	-	2 560	2 560	-	-	2 560	1 917	643	74.9%	2 768	2 768
LIM 345	1 725	-	-	1 725	1 725	-	-	1 725	1 378	347	79.9%	1 404	1 404

	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Municipality	**DoRA and Other transfers**	**Roll overs**	**Adjust-ments**	**Total Available**	**Actual transfer**	**Funds withheld**	**Re-allocations by National Treasury or National depart-ment**	**Amount received by municipality**	**Amount spent by municipality**	**Unspent funds**	**% of available funds spent by municipality**	**DORA and other transfers**	**Actual transfers**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Vhembe District Municipality	5 114	-	-	5 114	5 114	-	-	5 114	3 925	1 189	76.8%	6 394	6 394
Blouberg	2 005	-	-	2 005	2 005	-	-	2 005	2 005	-	100.0%	1 185	1 185
Molemole	1 386	-	-	1 386	1 386	-	-	1 386	1 159	227	83.6%	1 219	1 219
Polokwane	6 117	-	-	6 117	6 117	-	-	6 117	3 580	2 537	58.5%	11 135	11 135
Lepele-Nkumpi	1 756	-	-	1 756	1 756	-	-	1 756	1 722	34	98.1%	1 244	1 244
Capricorn District Municipality	2 773	-	-	2 773	2 773	-	-	2 773	1 887	886	68.0%	3 118	3 118
Thabazimbi	1 360	-	(408)	952	952	-	-	952	343	609	36.0%	1 370	1 370
Lephalale	1 311	-	-	1 311	1 311	-	-	1 311	758	553	57.8%	1 035	1 035
Bela-Bela	1 502	-	-	1 502	1 502	-	-	1 502	1 502	-	100.0%	1 302	1 302
Mogalakwena	1 610	-	-	1 610	1 610	-	-	1 610	802	808	49.8%	1 151	1 151
LIM 368 Modimolle/Mookgopong	1 641	-	-	1 641	1 641	-	-	1 641	1 431	210	87.2%	1 757	1 757

	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Municipality	**DoRA and Other transfers**	**Roll overs**	**Adjust-ments**	**Total Available**	**Actual transfer**	**Funds withheld**	**Re-allocations by National Treasury or National depart-ment**	**Amount received by municipality**	**Amount spent by municipality**	**Unspent funds**	**% of available funds spent by municipality**	**DORA and other transfers**	**Actual transfers**
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Waterberg District Municipality	1 200	-	-	1 200	1 200	-	-	1 200	768	432	64.0%		
Ephraim Mogale	1 549	-	-	1 549	1 549	-	-	1 549	1 549	-	100.0%	2 560	2 560
Elias Motsoaledi	2 609	-	-	2 609	2 609	-	-	2 609	2 609	-	100.0%	2 243	2 243
Makhuduthamaga	2 348	-	300	2 648	2 648	-	-	2 648	2 601	47	98.2%	1 783	1 783
LIM 476 Greater Tubatse/Fetakgomo	1 742	-	-	1 742	1 742	-	-	1 742	1 742	-	100.0%	1 463	1 463
Greater Sekhukhune District Municipality	10 676	-	-	10 676	10 676	-	-	10 676	8 091	2 585	75.8%	15 355	15 355
Chief Albert Luthuli	2 580	-	-	2 580	2 580	-	-	2 580	2 580	-	100.0%	2 103	2 103
Msukaligwa	1 285	-	-	1 285	1 285	-	-	1 285	1 146	139	89.2%	1 511	1 511
Mkhondo	2 004	-	-	2 004	2 004	-	-	2 004	2 004	-	100.0%	2 136	2 136

	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Municipality	**DoRA and Other transfers**	**Roll overs**	**Adjust-ments**	**Total Available**	**Actual transfer**	**Funds withheld**	**Re-allocations by National Treasury or National depart-ment**	**Amount received by municipality**	**Amount spent by municipality**	**Unspent funds**	**% of available funds spent by municipality**	**DORA and other transfers**	**Actual transfers**
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Dr Pixley ka Seme	1 931	-	-	1 931	1 931	-	-	1 931	1 931	-	100.0%	3 209	3 209
Lekwa	1 760	-	(1 320)	440	440	-	-	440	440	-	100.0%	1 643	1 643
Dipaleseng	1 285	-	-	1 285	1 285	-	-	1 285	950	335	73.9%	1 156	1 156
Govan Mbeki	1 597	-	-	1 597	1 597	-	-	1 597	1 477	120	92.5%	1 900	1 900
Gert Sibande District Municipality	1 718	-	892	2 610	2 610	-	-	2 610	1 718	892	65.8%	1 947	1 947
Victor Khanye	1 361	-	300	1 661	1 661	-	-	1 661	1 361	300	81.9%	1 434	1 434
Emalahleni	3 193	-	-	3 193	3 193	-	-	3 193	3 193	-	100.0%	5 338	5 338
Steve Tshwete	1 808	-	-	1 808	1 808	-	-	1 808	1 458	350	80.6%	4 058	4 058
Emakhazeni	1 434	-	-	1 434	1 434	-	-	1 434	1 321	113	92.1%	2 862	2 862
Thembisile Hani	2 217	-	-	2 217	2 217	-	-	2 217	2 217	-	100.0%	5 166	5 166
Dr JS Moroka	2 155	-	-	2 155	2 155	-	-	2 155	2 155	-	100.0%	3 824	3 824
Nkangala District Municipality	1 706	-	-	1 706	1 706	-	-	1 706	1 706	-	100.0%	2 094	2 094
Thaba Chweu	1 608	-	-	1 608	1 608	-	-	1 608	1 608	-	100.0%	1 731	1 731

	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Municipality	DoRA and Other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National depart-ment	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual transfers
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Nkomazi	2 436	-	-	2 436	2 436	-	-	2 436	2 436	-	100.0%	3 510	3 510
Bushbuckridge	3 149	-	-	3 149	3 149	-	-	3 149	3 149	-	100.0%	3 243	3 243
MP 326 Mbombela/Umjindi Loc Mu	5 117	-	-	5 117	5 117	-	-	5 117	4 650	467	90.9%	6 658	6 658
Ehlanzeni District Municipality	1 389	-	-	1 389	1 389	-	-	1 389	1 389	-	100.0%	2 995	2 995
Richtersveld	1 200	-	(161)	1 039	1 039	-	-	1 039	1 039	-	100.0%	950	950
Nama Khoi	1 230	-	660	1 890	1 890	-	-	1 890	1 675	215	88.6%	1 103	1 103
Kamiesberg	1 200	-	-	1 200	1 200	-	-	1 200	1 067	133	88.9%	665	665
Hantam	1 213	-	-	1 213	1 213	-	-	1 213	493	720	40.6%	1 364	1 364
Karoo Hoogland	1 200	-	(900)	300	300	-	-	300	300	-	100.0%	796	796
Khâi-Ma	1 200	-	(429)	771	771	-	-	771	410	361	53.2%	-	-
Namakwa District Municipality	1 206	-	-	1 206	1 206	-	-	1 206	1 206	-	100.0%	950	950
Ubuntu	1 200	-	-	1 200	1 200	-	-	1 200	512	688	42.7%	978	978
Umsobomvu	1 200	-	-	1 200	1 200	-	-	1 200	1 064	136	88.7%	787	787

	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Municipality	DoRA and Other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National depart-ment	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual transfers
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Emthanjeni	1 200	-	(180)	1 020	1 020	-	-	1 020	1 020	-	100.0%	665	665
Kareeberg	1 200	-	-	1 200	1 200	-	-	1 200	711	489	59.3%	666	666
Renosterberg	1 200	-	-	1 200	1 200	-	-	1 200	772	428	64.3%	-	-
Thembelihle	1 200	-	-	1 200	1 200	-	-	1 200	190	1 010	15.8%	-	-
Siyathemba	1 200	-	-	1 200	1 200	-	-	1 200	1 171	29	97.6%	665	665
Siyancuma	1 200	-	660	1 860	1 860	-	-	1 860	1 433	427	77.0%	900	900
Pixley Ka Seme District Municipality	1 200	-	(91)	1 109	1 109	-	-	1 109	962	147	86.7%	950	950
!Kai !Garib	1 248	-	-	1 248	1 248	-	-	1 248	1 039	209	83.3%	1 021	1 021
!Kheis	1 200	-	(900)	300	300	-	-	300	300	-	100.0%	-	-
Tsantsabane	1 200	-	660	1 860	1 860	-	-	1 860	1 330	530	71.5%	950	950
Kgatelopele	1 200	-	-	1 200	1 200	-	-	1 200	941	259	78.4%	960	960
NC087 Khara Hais/Mier Loc Mu	1 200	-	-	1 200	1 200	-	-	1 200	1 200	-	100.0%	950	950

	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Municipality	DoRA and Other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National depart-ment	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual transfers
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Z.F. Mqcawu District Municipality	1 251	-	(360)	891	891	-	-	891	891	-	100.0%	999	999
Sol Plaatjie	2 267	-	660	2 927	2 927	-	-	2 927	2 267	660	77.5%	3 102	3 102
Dikgatlong	1 278	-	-	1 278	1 278	-	-	1 278	1 278	-	100.0%	920	920
Magareng	1 242	-	-	1 242	1 242	-	-	1 242	1 162	80	93.6%	712	712
Phokwane	1 200	-	(136)	1 064	1 064	-	-	1 064	875	189	82.2%		
Frances Baard District Municipality	1 274	-	-	1 274	1 274	-	-	1 274	726	548	57.0%	959	959
Joe Morolong	1 231	-	-	1 231	1 231	-	-	1 231	1 044	187	84.8%	2 159	2 159
Ga-Segonyana	1 271	-	-	1 271	1 271	-	-	1 271	830	441	65.3%	1 111	1 111
Gamagara	1 217	-	-	1 217	1 217	-	-	1 217	876	341	72.0%	950	950
John Taolo Gaetsewe District Municipality	1 235	-	-	1 235	1 235	-	-	1 235	823	412	66.6%	950	950
Moretele	1 550	-	(232)	1 318	1 318	-	-	1 318	1 318	-	100.0%	2 713	2 713

	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Municipality	DoRA and Other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National depart-ment	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual transfers
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Madibeng	1 293	-	-	1 293	1 293	-	-	1 293	1 152	141	89.1%	831	831
Rustenburg	1 572	-	-	1 572	1 572	-	-	1 572	1 572	-	100.0%	2 196	2 196
Kgetlengrivier	1 209	-	-	1 209	1 209	-	-	1 209	1 209	-	100.0%	950	950
Moses Kotane	1 359	-	(235)	1 124	1 124	-	-	1 124	778	346	69.2%	1 629	1 629
Bojanala Platinum District Municipality	1 361	-	(1 020)	341	341	-	-	341	341	-	100.0%	1 256	1 256
Ratlou	1 589	-	-	1 589	1 589	-	-	1 589	1 185	404	74.6%	1 234	1 234
Tswaing	1 329	-	-	1 329	1 329	-	-	1 329	1 329	-	100.0%	1 099	1 099
Mafikeng	1 550	-	-	1 550	1 550	-	-	1 550	1 550	-	100.0%	2 944	2 944
Ditsobotla	1 213	-	-	1 213	1 213	-	-	1 213	828	385	68.3%	-	-
Ramotshere Moiloa	1 812	-	660	2 472	2 472	-	-	2 472	1 812	660	73.3%	1 715	1 715
Ngaka Modiri Molema District Municipality	2 291	-	-	2 291	2 291	-	-	2 291	2 055	236	89.7%	1 845	1 845
Naledi	1 203	-	(180)	1 023	1 023	-	-	1 023	1 023	-	100.0%	1 133	1 133

	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Municipality	**DoRA and Other transfers**	**Roll overs**	**Adjust-ments**	**Total Available**	**Actual transfer**	**Funds withheld**	**Re-allocations by National Treasury or National depart-ment**	**Amount received by municipality**	**Amount spent by municipality**	**Unspent funds**	**% of available funds spent by municipality**	**DORA and other transfers**	**Actual transfers**
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Mamusa	1 516	-	-	1 516	1 516	-	-	1 516	1 516	-	100.0%	1 094	1 094
Greater Taung	1 715	-	-	1 715	1 715	-	-	1 715	1 666	49	97.1%	3 049	3 049
Lekwa-Teemane	1 200	-	-	1 200	1 200	-	-	1 200	1 200	-	100.0%	950	950
Molopo-kagisano	2 036	-	-	2 036	2 036	-	-	2 036	2 036	-	100.0%	1 321	1 321
Dr Ruth Segomotsi Mompati District Municipality	1 287	-	-	1 287	1 287	-	-	1 287	852	435	66.2%	1 079	1 079
City of Matlosana	1 555	-	-	1 555	1 555	-	-	1 555	1 101	454	70.8%	2 789	2 789
Maquassi Hills	1 314	-	-	1 314	1 314	-	-	1 314	1 171	143	89.1%	1 316	1 316
NW405 Ventersdorp/Tlokwe loc mun	2 177	-	-	2 177	2 177	-	-	2 177	2 177	-	100.0%	2 689	2 689
Dr Kenneth Kaunda District Municipality	1 452	-	(330)	1 122	1 122	-	-	1 122	557	565	49.6%	2 177	2 177

	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Municipality	DoRA and Other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National depart-ment	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual transfers
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
City of Cape Town	26 664	-	-	26 664	26 664	-	-	26 664	25 439	1 225	95.4%	59 093	59 093
Matzikama	1 389	-	-	1 389	1 389	-	-	1 389	1 389	-	100.0%	2 859	2 859
Cederberg	1 534	-	-	1 534	1 534	-	-	1 534	1 252	282	81.6%	1 658	1 658
Bergrivier	1 436	-	-	1 436	1 436	-	-	1 436	1 023	413	71.2%	2 712	2 712
Saldanha Bay	1 368	-	-	1 368	1 368	-	-	1 368	1 368	-	100.0%	2 125	2 125
Swartland	1 593	-	-	1 593	1 593	-	-	1 593	1 239	354	77.8%	1 830	1 830
West Coast District Municipality	1 282	-	-	1 282	1 282	-	-	1 282	842	440	65.7%	1 242	1 242
Witzenberg	1 559	-	-	1 559	1 559	-	-	1 559	1 559	-	100.0%	3 247	3 247
Drakenstein	2 062	-	-	2 062	2 062	-	-	2 062	2 021	41	98.0%	4 363	4 363
Stellenbosch	2 021	-	-	2 021	2 021	-	-	2 021	1 185	836	58.6%	4 519	4 519
Breede Valley	1 895	-	-	1 895	1 895	-	-	1 895	1 895	-	100.0%	4 789	4 789
Langeberg	1 645	-	-	1 645	1 645	-	-	1 645	833	812	50.6%	3 174	3 174
Cape Winelands District Municipality	1 249	-	-	1 249	1 249	-	-	1 249	949	300	76.0%	2 271	2 271

	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Municipality	DoRA and Other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	DORA and other transfers	Actual transfers
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Theewaterskloof	1 563	-	-	1 563	1 563	-	-	1 563	1 175	388	75.2%	1 684	1 684
Overstrand	1 898	-	-	1 898	1 898	-	-	1 898	1 423	475	75.0%	3 366	3 366
Cape Agulhas	1 363	-	-	1 363	1 363	-	-	1 363	1 241	122	91.0%	2 181	2 181
Swellendam	1 305	-	-	1 305	1 305	-	-	1 305	1 295	10	99.2%	1 541	1 541
Overberg District Municipality	1 265	-	-	1 265	1 265	-	-	1 265	811	454	64.1%	1 192	1 192
Kannaland	1 255	-	-	1 255	1 255	-	-	1 255	1 169	86	93.1%	1 220	1 220
Hessequa	1 236	-	-	1 236	1 236	-	-	1 236	1 008	228	81.6%	1 174	1 174
Mossel Bay	1 967	-	-	1 967	1 967	-	-	1 967	1 967	-	100.0%	4 333	4 333
George	1 966	-	-	1 966	1 966	-	-	1 966	1 125	841	57.2%	4 173	4 173
Oudtshoorn	1 492	-	-	1 492	1 492	-	-	1 492	1 492	-	100.0%	1 672	1 672
Bitou	1 474	-	-	1 474	1 474	-	-	1 474	1 474	-	100.0%	1 879	1 879
Knysna	1 279	-	-	1 279	1 279	-	-	1 279	1 279	-	100.0%	1 264	1 264
Eden District Municipality	1 545	-	-	1 545	1 545	-	-	1 545	1 063	482	68.8%	2 180	2 180
Laingsburg	1 209	-	-	1 209	1 209	-	-	1 209	1 083	126	89.6%	1 173	1 173

	2024/25											2023/24	
	GRANT ALLOCATION				TRANSFER			SPENT					
Name of Municipality	**DoRA and Other transfers**	**Roll overs**	**Adjust-ments**	**Total Available**	**Actual transfer**	**Funds withheld**	**Re-allocations by National Treasury or National depart-ment**	**Amount received by municipality**	**Amount spent by municipality**	**Unspent funds**	**% of available funds spent by municipality**	**DORA and other transfers**	**Actual transfers**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Prince Albert	1 200	-	-	1 200	1 200	-	-	1 200	762	438	63.5%	769	769
Beaufort West	1 226	-	-	1 226	1 226	-	-	1 226	977	249	79.7%	1 372	1 372
Central Karoo District Municipality	1 203	-	(240)	963	963	-	-	963	940	23	97.6%	2 314	2 314
TOTAL	**560 103**	**-**	**-**	**560 103**	**560 103**	**-**	**-**	**560 103**	**492 222**	**67 881**		**748 975**	**748 975**

ANNEXURE 1B
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

	2024/25						2023/24	
	TRANSFER ALLOCATION				TRANSFER			
Departmental Agency or Account	**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**
Construction Industry Development Board	75 183	-	-	75 183	75 183	100.0%	80 320	80 320
Council for the Built Environment	55 505	-	-	55 505	55 505	100.0%	54 704	54 704
Property Management Trading Entity	4 288 092	-	-	4 288 092	4 288 092	100.0%	4 276 211	4 276 211
Construction SETA	646	-	-	646	646	100.0%	571	571
Parliamentary Village Management Board	6 491	-	-	6 491	6 491	100.0%	6 720	6 720
Agrément SA	31 902	-	-	31 902	31 902	100.0%	34 082	34 082
TOTAL	**4 457 819**	**-**	**-**	**4 457 819**	**4 457 819**		**4 452 608**	**4 452 608**

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

	2024/25								2023/24	
	GRANT ALLOCATION				EXPENDITURE					
Name of public corporation / private enterprise	**Adjusted Budget**	**Roll overs**	**Adjust-ments**	**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										
Industrial Development Corporation	102 835	-	-	102 835	102 835	100.0%	-	-	83 041	83 041
Independent Development Trust	-	-	-	-	-		-	-	81 800	81 800
TOTAL	**102 835**	**-**	**-**	**102 835**	**102 835**	**100.0%**	**-**	**-**	**164 841**	**164 841**

ANNEXURE 1D

STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

	2024/25						2023/24	
	TRANSFER ALLOCATION				EXPENDITURE			
Foreign government / International organisation	**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								
Commonwealth War Graves Commission	36 413	-	-	36 413	36 413	100.0%	34 202	34 202
TOTAL	**36 413**	**-**	**-**	**36 413**	**36 413**		**34 202**	**34 202**

ANNEXURE 1E
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

	2024/25						2023/24	
	TRANSFER ALLOCATION				EXPENDITURE			
Non-profit institutions	**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								
Non-State Sector Programme	689 582	-	-	689 582	689 582	100.0%	1 052 431	1 052 431
TOTAL	**689 582**	**-**	**-**	**689 582**	**689 582**		**1 052 431**	**1 052 431**

ANNEXURE 1F
STATEMENT OF TRANSFERS TO HOUSEHOLDS

	2024/25						2023/24	
	TRANSFER ALLOCATION				EXPENDITURE			
Household	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								
H/H EML S/BEN: LEAVE GRATUITY	2 851	-	-	2 851	2 851	100.0%	3 275	3 698
NTABENI S	-	-	-	-	2		-	-
MATSILA P	-	-	-	-	18		-	-
KGADITSE MH	-	-	-	-	41		-	-
MOTHEOHANE TP	-	-	-	-	59		-	-
MAHLOKO ML	-	-	-	-	24		-	-
MONYELA MW	-	-	-	-	284		-	-
SEMENYA P	-	-	-	-	8		-	-
SIZANI RK	-	-	-	-	40		-	-
NKONGOANE A	-	-	-	-	70		-	-
NXUMALO TR	-	-	-	-	72		-	-
MABILETSA ZWS	-	-	-	-	73		-	-
QUMBISA PN	-	-	-	-	19		-	-
MASHIYA N	-	-	-	-	19		-	-

	2024/25						2023/24	
	TRANSFER ALLOCATION				EXPENDITURE			
Household	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
DLADLA N	-	-	-	-	17		-	-
NKANUNU SS	-	-	-	-	106		-	-
SHABALALA BT	-	-	-	-	24		-	-
SIBISI L	-	-	-	-	67		-	-
MTHALANE NM	-	-	-	-	125		-	-
MHLONGO MG	-	-	-	-	126		-	-
MAKHADO N	-	-	-	-	69		-	-
MOKOBANE MC	-	-	-	-	42		-	-
DONDASHE M	-	-	-	-	29		-	-
MNTONINTSHI EN	-	-	-	-	12		-	-
NZAMA TR	-	-	-	-	49		-	-
MATHEBULA E	-	-	-	-	345		-	-
CHONCO N	-	-	-	-	108		-	-
SEMENYA P	-	-	-	-	8		-	-
MASHIMBYI TP	-	-	-	-	43		-	-
MATHEBULA E	-	-	-	-	5		-	-
BARDNARD NA	-	-	-	-	15		-	-
MZAYIYA N	-	-	-	-	23		-	-
MOILOA MP	-	-	-	-	136		-	-
GUSHA MS	-	-	-	-	532		-	-

	2024/25						2023/24	
	TRANSFER ALLOCATION				EXPENDITURE			
Household	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
SETZIN AD	-	-	-	-	62		-	-
ZONO LL	-	-	-	-	16		-	-
MAKHADO N	-	-	-	-	28		-	-
MULAUDZI L	-	-	-	-	135		-	-
H/H: BURSARIES(NON-EMPLOYEE)	5 990	-	-	5 990	5 990	100.0%	6 371	6 312
University of Pretoria	-	-	-	-	5 919		-	-
Tshwane University of Technology	-	-	-	-	71		-	-
CLAIMS AGAINST THE STATE	189	-	-	189	189		-	108
SHIBAMBU TM	-	-	-	-	30		-	-
KHUZWAYO L	-	-	-	-	29		-	-
MPJANE MD	-	-	-	-	30		-	-
MKHWANAZI E	-	-	-	-	20		-	-
MZOZO Y	-	-	-	-	20		-	-
NGOEPE M	-	-	-	-	20		-	-
NONYANA N	-	-	-	-	20		-	-
JIYANE E	-	-	-	-	20		-	-

	2024/25						2023/24	
	TRANSFER ALLOCATION				EXPENDITURE			
Household	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
TOTAL	**9 030**	**-**	**-**	**9 030**	**9 030**		**9 646**	**10 118**

ANNEXURE 1G

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP		2024/25	2023/24
			R'000	R'000
Received in cash				
Gifts				
Telkom	Supplier payment for Presidential Inauguration	-	2 000	-
Anglo American	Supplier payment for Presidential Inauguration		5 000	-
TOTAL		**-**	**7 000**	**-**

ANNEXURE 2A

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2025

Nature of liability	Opening balance 1 April 2024	Liabilities incurred during the year	Liabilities paid / cancelled / reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2025
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Claims against the department	2 019	-	-	-	2 019
TOTAL	**2 019**	**-**	**-**	**-**	**2 019**

ANNEXURE 3
CLAIMS RECOVERABLE

	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2024/25	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024	31/03/2025	31/03/2024	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
Basic Education	-	-	54 541	54 541	54 541	54 541	-	-
Defence	-	-	-	16 640	-	16 640	-	-
Forestry Fisheries & Environmental	-	-	497	410	497	410	-	-
Presidency	-	-	699	699	699	699	-	-
LP Provincial Department	436	-	-	-	436	-	-	-
KZN Provincial Department	-	-	677	-	677	-	-	-
Subtotal	436	-	56 414	72 291	56 850	72 291	-	-
Other Government Entities								
PMTE	16 733	7 677	-	-	16 733	7 677	-	-
SETA	-	-	3 612	3 612	3 612	3 612	-	-
NSF	-	-	99	99	99	99	-	-
CSCC			241	241	241	241		

	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2024/25	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024	31/03/2025	31/03/2024	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
Subtotal	16 733	7 677	3 952	3 952	20 685	11 629	-	-
TOTAL	**17 169**	**7 677**	**60 366**	**76 243**	**77 535**	**83 920**	**-**	**-**

ANNEXURE 4
INTERGOVERNMENT PAYABLES

INTERGOVERNMENT PAYABLES	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2024/25	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024	31/03/2025	31/03/2024	Payment 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								
Current								
Department of Justice	1 304	4 445	15 886	5 102	17 190	9 547	-	-
Department of International Relations and Coordination	126	168	-	-	126	168	-	-
Government Printing Works	-	2	-	-	-	2	-	-
Department of Defence	-	-	204 315	106 970	204 315	106 970	-	-
Department of Higher Education and Training	141	2	-	-	141	2	-	-
SAPS	25	-	-	-	25	-	-	-
Subtotal	**1 596**	**4 617**	**220 201**	**112 072**	**221 797**	**116 689**	**-**	**-**

INTERGOVERNMENT PAYABLES	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2024/25	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024	31/03/2025	31/03/2024	Payment 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
OTHER GOVERNMENT ENTITIES								
Current								
Property Management Trading Entity (PMTE)	1 333	2 587	-	-	1 333	2 587	-	-
AGSA	2 257	1 439	-	-	2 257	1 439	-	-
SARS	-	37	-	-	-	37	-	-
TELKOM SA LTD	45	53	-	-	45	53	-	-
SITA	297	342	-	-	297	342	-	-
AGRISETA	1 244	1 340	-	5 848	1 244	7 188	-	-
City of Johannesburg	-	83	-	-	-	83	-	-
Subtotal	**5 176**	**5 881**	**-**	**5 848**	**5 176**	**11 729**	**-**	**-**
Total Other Government Entities	**5 176**	**5 881**	**-**	**5 848**	**5 176**	**11 729**	**-**	**-**
Non-Current								
AGRISETA	-	-	2 750	-	2 750	-	-	-

INTERGOVERNMENT PAYABLES	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2024/25	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024	31/03/2025	31/03/2024	Payment 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
Subtotal	-	-	2 750	-	2 750	-	-	-
Total Other Government Entities	5 176	5 881	2 750	5 848	7 926	11 729	-	-
TOTAL OTHER GOVERNMENT ENTITIES	**6 772**	**10 498**	**222 951**	**117 920**	**229 723**	**128 418**	**-**	**-**

ANNEXURE 5A
INTERENTITY ADVANCES PAID (Note 9)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/3/2025	31/03/2024	31/3/2025	31/03/2024	31/3/2025	31/03/2024
	R'000	R'000	R'000	R'000	R'000	R'000
PUBLIC ENTITIES						
Independent Development Trust	1 777	786	-	-	1 777	786
Industrial Development Corporation	24 716	65 000	-	-	24 716	65 000
Buffalo City Municipality	-	318	-	-	-	318
Subtotal	**26 493**	**66 104**	**-**	**-**	**26 493**	**66 104**
OTHER ENTITIES						
South African City Networks	117	700	-	-	117	700
Property Sector Charter Council	-	2 079	-	-	-	2 079
International Labour Organization	357	112	-	-	357	112
Subtotal	**474**	**2 891**	**-**	**-**	**474**	**2 891**
TOTAL	**26 967**	**68 995**	**-**	**-**	**26 967**	**68 995**

ANNEXURE 6B
INTERENTITY ADVANCES RECEIVED (Note 13)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/3/2025	31/03/2024	31/3/2025	31/03/2024	31/3/2025	31/03/2024
	R'000	R'000	R'000	R'000	R'000	R'000
PROVINCIAL DEPARTMENTS						
Current						
KZN Provincial Department	69 318	155 795	-	-	69 318	155 795
EC Provincial Department	139 408	181 547	-	-	139 408	181 547
MP Provincial Department	3 752	18 044	-	-	3 752	18 044
FS Provincial Department	159 531	99 474	-	-	159 531	99 474
LP Provincial Department	239 961	62 745	-	-	239 961	62 745
NW Provincial Department	186 199	74 191	-	-	186 199	74 191
Subtotal	**798 169**	**591 796**	**-**	**-**	**798 169**	**591 796**
PUBLIC ENTITIES						
Current						
National Skills Fund	15 449	13 340	-	-	15 449	13 340
Subtotal	15 449	13 340	-	-	15 449	13 340
TOTAL	**813 618**	**605 136**	**-**	**-**	**813 618**	**605 136**
Current	813 618	605 136	-	-	813 618	605 136
Non-current						

ANNEXURE 7

ANALYSIS OF PREPAYMENTS AND ADVANCES (NOTE 9.2)

Name of Entity	Sector of the entity	Description of the item paid for	Classification category	Total Contract Value	Balance outstanding as at 31 March 2024	Total amount prepaid /advanced in the current year	Less: goods services or capital assets received in the current year	Add/Less: Other	Balance outstanding as at 31 March 2025
				R'000	R'000	R'000	R'000	R'000	R'000
Prepayments									
LEXIXNEXIS	Library	Library books	Goods and services	467	156	-	(156)		-
MASTOMAX	IT	Tracing & Tracking Licence	Goods and services	11 519	-	9 919	(960)		8 960
MMELA Financial Services	Ministry	Car Insurance	Goods and services	140	-	140	-		140
Total prepayments					156	10 059	(1 116)		9 100
Independent Development Trust	EPWP	Agency & Support /Outsourced Services	Goods and services	142 000	724	26 153	(25 101)	-	1 776
International Labour Organisation	EPWP	Agency & Support /Outsourced Services	Goods and services	239 671	-	13 739	(13 382)	-	357
South African Cities Networks	EPWP	Consultants: Business & Advisory Services	Goods and services	117	117	-	-	-	117
Property Sector Charter Council	DDG Policy Research & Reg	Consultants : Business & Advisory Services	Goods and services	239 671	2 263	-	(2 163)	-	-
Industrial Development Corporation	DDG IGR	Agency & Support /Outsourced Services	Goods and services	600 000	64 190	44 000	(83 474)		24 716

Name of Entity	Sector of the entity	Description of the item paid for	Classification category	Total Contract Value	Balance outstanding as at 31 March 2024	Total amount prepaid /advanced in the current year	Less: goods services or capital assets received in the current year	Add/Less: Other	Balance outstanding as at 31 March 2025
				R'000	R'000	R'000	R'000	R'000	R'000
Buffalo City Metro Municipality	EPWP	Agency & Support /Outsourced Services	Goods and services	318	318	-	(318)		-
TOTAL ADVANCES					**67 512**	**83 892**	**(124 438)**		**26 966**
TOTAL PREPAYMENTS AND ADVANCES					**67 668**	**93 951**	**(125 554)**		**36 065**

ANNEXURE 7

ANALYSIS OF PREPAYMENTS AND ADVANCES (NOTE 9.2)

Name of Entity	Sector of the entity	Description of the item paid for	Classification category	Total Contract Value	Balance outstanding as at 31 March 2024	Total amount prepaid /advanced in the current year	Less: goods services or capital assets received in the current year	Add/Less: Other	Balance outstanding as at 31 March 2025
				R'000	R'000	R'000	R'000	R'000	R'000
Prepayments									
LEXIXNEXIS	Library	Library books	Goods and services	467	156	-	(156)		-
MASTOMAX	IT	Tracing & Tracking Licence	Goods and services	11 519	-	9 919	(960)		8 960
MMELA Financial Services	Ministry	Car Insurance	Goods and services	140	-	140	-		140
Total prepayments					156	10 059	(1 116)		9 100
Independent	EPWP	Agency & Support	Goods and services	142 000	724	26 153	(25 101)	-	1 776

Name of Entity	Sector of the entity	Description of the item paid for	Classification category	Total Contract Value	Balance outstanding as at 31 March 2024	Total amount prepaid /advanced in the current year	Less: goods services or capital assets received in the current year	Add/Less: Other	Balance outstanding as at 31 March 2025
				R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Development Trust		/Outsourced Services							
International Labour Organisation	EPWP	Agency & Support /Outsourced Services	Goods and services	239 671	-	13 739	(13 382)	-	357
South African Cities Networks	EPWP	Consultants: Business & Advisory Services	Goods and services	117	117	-	-	-	117
Property Sector Charter Council	DDG Policy Research & Reg	Consultants : Business & Advisory Services	Goods and services	239 671	2 263	-	(2 163)	-	-
Industrial Development Corporation	DDG IGR	Agency & Support /Outsourced Services	Goods and services	600 000	64 190	44 000	(83 474)		24 716
Buffalo City Metro Municipality	EPWP	Agency & Support /Outsourced Services	Goods and services	318	318	-	(318)		-
TOTAL ADVANCES					67 512	83 892	(124 438)		26 966
TOTAL PREPAYMENTS AND ADVANCES					**67 668**	**93 951**	**(125 554)**		**36 065**

Part B: PROPERTY MANAGEMENT TRADING ENTITY

Report of the auditor-general to Parliament on Property Management Trading Entity

Report on the audit of the financial statements

Qualified opinion

51. I have audited the financial statements of the Property Management Trading Entity set out on pages 408 to xx, which comprise the statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, the cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

52. In my opinion, **except for the effects** of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the trading entity as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA)

Basis for qualified opinion

Payables from exchange transaction: Accrued expenses

53. All outstanding amounts meeting the definition of a liability were not recognised in accordance with GRAP 1, Presentation of financial statements. Adequate records of outstanding payments for goods and services (excluding leases) received but not yet paid at year-end were not maintained. I was unable to determine the full extent of the understatement of payables from exchange transactions – accrued expenses for the current year and corresponding figures, as it was impracticable to do so. Additionally, there was an impact on the deficit for the year and the accumulated surplus

Payables from exchange transaction: Accrued expense leases

54. The trading entity did not recognise all items payables from exchange transactions in accordance with GRAP 104, financial instruments. Incorrect formulas were used in calculating accrued expenses to be written off. Consequently, payables from exchange transactions- accrued expense leases was overstated by R139 million and Receivables from exchange transactions- Revenue accrual recoverable leases was overstated by R115 million. Additionally, there was an impact on the deficit for the year and the accumulated surplus.

Operating lease expense

55. Items that did not meet the definition of operating lease expense in accordance with GRAP 13, Leases were recognised as expenses. The trading entity recognised items that are not tenant installations as operating lease expense. Consequently, operating lease expense was overstated by R218 million. Additionally, there was an impact on the deficit for the year and the accumulated surplus.

Contractual commitments for acquisition and maintenance of property, plant and equipment

56. Items that did not meet the definition of a contractual commitment in accordance with GRAP 17, Property, plant and equipment were disclosed. The trading entity recorded cancelled projects as part of the disclosed contractual commitments in the financial statements. Consequently, the contractual commitments for the acquisition and maintenance of property, plant and equipment as disclosed in Note 7 of the financial statements were overstated by R1,8 billion (R1,8 billion).

Total minimum lease receipts – PMTE as Lessor: Leasehold intergovernmental

57. Operating lease commitments were not accounted for in terms of GRAP 13, Leases. Future minimum lease receipts for active lease contracts were not disclosed. Consequently, total minimum lease receipts- PMTE as lessor: leasehold intergovernmental as disclosed in note 5.2 were understated by R1,2 billion.

Total minimum lease payments – PMTE as Lessee

58. Operating lease commitments were not accounted for in terms of GRAP 13, Leases. Future minimum lease payments for active lease contracts were not disclosed. Consequently, total minimum lease payments- PMTE as lessee as disclosed in note 5.5 were understated by R1,4 billion.

Context for opinion

59. 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.

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

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

Material uncertainty relating to going concern

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

63. I draw attention to note 36 to the financial statements, which indicates that the PMTE has a bank overdraft of R4.4 billion (2024: R3.7 billion) and the current liabilities exceed the current assets by R9 billion (2024 R7.5 billion). As stated in note 36, these events or conditions, along with the other matters as set forth in note 36, indicate that a material uncertainty exists that may cast significant doubt on the trading entity's ability to continue as a going concern.

Emphasis of matters

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

Material impairments – Receivables from exchange transactions

65. As disclosed in note 3 to the financial statements, the R4.1 billion (2024: R4.6 billion) receivables from exchange reported, is the rand value after taking into account the impairment provision of R12.9 billion (2024: R10.6 billion).

Prior period errors

66. As disclosed in note 35 to the financial statements, the corresponding figures for 31 March 2024 were restated as a result of an error in the financial statements of the trading entity at, and for the year ended, 31 March 2025

Other matter

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

Unaudited supplementary schedules

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

Responsibilities of the accounting officer for the financial statements

69. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of GRAP and the requirements of the PFMA and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

71. 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.

72. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 405, forms part of my auditor's report.

Report on the audit of the annual performance report

73. In terms of section 40(3)(a) of the PFMA for departments, trading entities and constitutional institutions, the trading entity is required to prepare an annual performance report. The trading entity's performance information was reported in the annual performance report of Department of Public Works and Infrastructure. The usefulness and reliability of the reported performance information was tested as part of the audit of Department of Public Works and Infrastructure and any audit findings are included in the management and auditor's report of Department of Public Works and Infrastructure (DPWI).

Report on compliance with legislation

74. 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 trading entity's compliance with legislation.

75. 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.

76. 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 trading entity, 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.

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

Annual financial statements and annual report

78. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework, as required by section 40(1) (b) of the PFMA. Material misstatements of current assets, liabilities, and disclosure items identified by the auditors in the submitted financial statements were corrected, but the uncorrected material misstatements resulted in the financial statements receiving a qualified opinion.

79. The financial statements were not submitted for auditing within the prescribed timeframe after the end of the financial year, as required by section 40(1)(c)(i) of the PFMA.

Procurement and contract management

80. Some of the contracts were awarded to bidders based on evaluation/adjudication criteria that were not stipulated and/or differed from those stipulated in the original invitation for bidding as required by Treasury Regulation 16A6.3(a) and (b).

Consequence management

81. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure as required by section 38(1)(h)(iii) of the PFMA. This was because investigations into irregular expenditure were not performed.

82. Disciplinary steps were not taken against the officials who had incurred and/or permitted irregular expenditure, as required by section 38(1)(h)(iii) of the PFMA.

83. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred fruitless and wasteful expenditure as required by section 38(1)(h)(iii) of the PFMA. This was because investigations into fruitless and wasteful expenditure were not performed.

Expenditure management

84. Effective and appropriate steps were not taken to prevent irregular expenditure, as disclosed in note 31 to the annual financial statements, as required by section 38(1) (c) (ii) of the PFMA and treasury regulation 9.1.1. The majority of the irregular expenditure was caused by incorrect procurement processes followed by management.

85. Effective internal controls were not in place for approval and processing of payments, as required by treasury regulation 8.1.1.

86. Payments were not made within 30 days or an agreed period after receipt of an invoice, as required by section 38(1)(f) of the PFMA and treasury regulation 8.2.3.

Revenue management

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

Asset Management

88. Proper control systems were not in place at the trading entity to ensure the maintenance of assets, as required by section 38(1)(d) of the PFMA. The non-compliance resulted in a material irregularity as reported in the section on material irregularities.

Other information in the annual report

89. 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 and the auditor's report.

90. My opinion on the financial statements and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

91. The other information I obtained prior to the date of this auditor's report are the accounting officer's report, human resource management report, the disclosure of irregular, fruitless and wasteful expenditure. The

audit committee report, governance compliance report and the forward by the Minister and the statement by the Deputy Minister are expected to be made available to us after 11 September 2025.

92. 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 conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

93. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

94. When I do receive and read the audit committee report, governance compliance report and the forward by the Minister and the statement by the Deputy Minister, 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

95. 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.

96. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion and the material findings on compliance with legislation included in this report.

97. Management did not develop effective mechanisms to monitor the implementation of audit action plans to address internal control deficiencies identified in the prior year. As a result repetitive material misstatements on payables from exchanges transactions and capital commitments were identified in the current year.

98. Management did not adequately review the financial statements during their preparation, which resulted in material misstatements and a modified auditor's opinion.

99. Management did not monitor compliance with applicable laws and regulations as a result material compliance issues were identified in asset management, expenditure management, procurement and contract management, annual financial statements, consequence management and revenue management.

100. Management did not ensure that there is an effective intergraded ERP system that allows for transactions to be digitalised, integrated, and accessible in real-time to reduce the reliance on manual processes in compiling supporting schedules used to prepare the financial statements Due to the existing manual environment that requires intense human intervention, capturing errors were not mitigated.

101. Management did not ensure support and maintenance services for SAGE were in place due to delays in the contracting process. The lack of a support and maintenance services agreement may result in prolonged downtime for the entity in case of a security event or disaster as they will be unable to fully recover the system without appropriate service provider support. This may lead to the integrity of financial information being compromised and inability to fulfil their credit obligations timeously.

Material irregularities

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

Material irregularity identified during the audit

103. The material irregularities identified are as follows:

Lack of maintenance of the Port Shepstone Police Station

104. The Property Management Trading Entity (PMTE) is responsible for maintaining government properties, including the Port Shepstone Police Station, which is part of a precinct comprising a guardhouse, charge office building, holding cells, office spaces, garages, and a K9 Unit.

105. A physical verification conducted by the AGSA on 7 March 2024, at the Port Shepstone Police Station revealed that the facility is in a poor condition while still being occupied. During the verification, it was observed that employees expressed dissatisfaction with the unsafe condition of the property and highlighted the lack of maintenance by PMTE. The team observed amongst others mold in numerous buildings and the holding cells being in a bad hygiene conditions.

106. The deficiencies at the Port Shepstone Police Station have been identified in several assessments and inspections since 2016, including a condition assessment by PMTE's in-house experts in October 2023, which rated the building as C2 (poor condition) and highlighted the significant deterioration of architectural elements. This assessment also reported on and recommended addressing issues such as asbestos management and structural frame repairs.

107. Furthermore, an Occupational Health and Safety (OHS) internal inspection conducted in April 2024, found the building to be non-compliant with the OHS Act 85 of 1993. The inspection highlighted serious risks, including the deteriorated state of asbestos roofs, which contravenes legislation prohibiting such materials since 2016, and Water and roof leaks causing dampness, humidity, and severe mold/fungus growth, creating unsafe conditions.

108. The accounting officer did not ensure that proper systems were in place at the trading entity to ensure the maintenance of the asset, as required by section38(1)(d) of the Public Finance Management Act. Furthermore, PMTE has not kept the building operational, to function in a manner that supports efficient service delivery as required by section 5(1)(d) of the Government Immovable Asset Management Act 19 of 2007.

109. The dilapidated condition of the building and the lack of corrective maintenance pose a significant risk that is likely to result in substantial harm to the health and safety of SAPS employees, detainees, and the general public who access the facilities due to amongst others exposure to mold and asbestos.

110. The extent of the harm could, however, not be determined with absolute certainty. The non-compliance is therefore likely to result in substantial harm to the general public if appropriate actions are not taken to address the lack of maintenance and prevent further damage to the building due to the lack of maintenance and minimise or rectify the impact thereof on the health and safety of the general public.

111. The accounting officer was notified of the MI on 31 March 2025 and invited to make a written submission on the actions taken and that will be taken to address the MI. The response was received on 30 April 2025. The accounting officer was requested to submit additional information on 9 May 2025, which was provided by the accounting officer on 15 May 2025. The response from management including the supporting annexures, indicated that the following steps were taken to address the MI:

- Property Ownership and Project Submission - The confirmation of site ownership is in progress. The project was submitted for consideration at PSLDVC on 6 March 2025. The vesting applications were scheduled for presentation on 5 June 2025, with the main meeting to follow on 12 June 2025.

112. Condition Assessment Report - A condition assessment report was submitted to PPM. Since the assessment was conducted in 2023, the report is considered outdated. The facility management unit committed to revisiting the site between 19-23 May 2025, to confirm its current condition and revise the report and associated costs accordingly. The revised report was to be compiled between 29-30 May 2025 and submitted to PPM by 6 June 2025.

- Project Registration and Funding - Steps have been taken to formally register the project and secure capital funding from the Repair & Refurbishment (R&R) budget. The registration and funding approval are contingent on the confirmation of property ownership.

113. The audit team made a determination on the appropriateness of the actions taken on 23 May 2025 and concluded based on the representations made and the substantiating documents provided, that appropriate actions are being taken to address the MI.

114. A follow up letter was issued 01 August 2025 wherein I requested information on the progress being made in addressing the MI. A response with substantiating documentation were received on 22 August 2025 from the accounting officer, detailing the actions taken and the planned actions to address the MI, as follows:

- Property Ownership and Project Submission: The project was submitted for consideration at Provincial State Land Disposal and Vesting Committee (PSLDVC) on 6 March 2025. The Department concluded the confirmation of vesting of Erf 1906, Port Shepstone in the National Government of the Republic of South Africa on 8 July 2025 and an instruction will be issued to the Office of the State Attorney for the Conveyancing process.

115. Condition Assessment Report: The required re-assessment of the facility by Facilities Management (FM) was conducted on 21 May 2025 and approved on 21 June 2025. The purpose of the revised Facility Condition Assessment is to provide an update of the condition assessment done in 2023 was completed and submitted to Property Performance Management (PPM). The site inspection revealed similar matters as were already observed by the audit team on 7 March 2024.

116. Project Registration and Funding: Whilst awaiting the funding request from Facilities Management (FM) and Durban Regional Office, PPM has submitted a request to Town Planning Services (TPS) for issuance of the site clearance certificate on 3 July 2025. The intension is to prioritise Port Shepstone project in October 2025 during the 2026/27 Property Management and Infrastructure Planning (PMIP) allocation session. The project can only proceed with a funded instruction.

117. Based on my assessment of the response and substantiating documentation provided, I have determined that the accounting officer is taking appropriate actions to address the MI. I will follow-up on the actions in process to address the MI during my next audit.

Material irregularities in progress

118. I identified another material irregularity during the audit and notified the accounting officer, as required by material irregularity regulation 3(2). By the date of this auditor's report, the response of the accounting officer was not yet due. This material irregularity will be included in next year's auditor's report. (a) is likely to result in a material financial loss.

Status of previously reported material irregularities

Under-utilisation of Telkom Towers

119. PMTE purchased the Telkom Towers complex on 07 April 2016 for the value of R694 million with the objective to move the South African Police Services (SAPS) head office operations in Pretoria to one central location. The complex consists of nine (9) buildings, which were functional at the time of purchase. The utilisation of the complex was intended to alleviate the pressure on the private lease budget and to enhance the delivery of services to ordinary citizens by SAPS. However, seven (7) years later, only one (1) out of the nine (9) buildings are being occupied and utilised by SAPS as intended. This leaves eight (8) buildings with a total cost of R592 million vacant and unutilised.

120. We confirmed the under-utilisation of the eight (8) buildings during our site visit to the Telkom Towers complex on the 12 April 2023. We further noted that the current state of the buildings is not fit for SAPS to take immediate occupation. We also noted non-functioning lifts, worn carpet due to water ingress, fire equipment not serviced, non-functioning air-conditioning, and lack of electrical connection points in open plans and flooded parking bay. Consequently, SAPS continues to pay excessive amounts on private leases and provide fragmented services to the public around Pretoria CBD, which has affected the access and visibility to the public.

121. The accounting officer did not have adequate processes and procedures in place, as required by TR 10.1.2, to ensure that the buildings in the Telkom Towers complex are used in a manner that is effective, efficient, and economical.

122. The non-compliance has resulted in the misuse of a material public resource and is likely to result in further misuse of the resource.

123. On 26 October 2023 and 23 November 2023, MI notifications relating to the under-utilisation of the material public resource, the Telkom Towers, were issued to the former acting accounting officers. However, both acting accounting officers' acting periods ended prior to them making a written submission in response to the notification within the 20 working days prescribed.

124. The current accounting officer was notified of the MI on 18 January 2024 and invited to make a written submission on the actions taken and that will be taken to address the matter. The accounting officer responded on 16 February 2024.

125. Based on the assessment of the written responses and supporting evidence submitted, I concluded that the AO did not take appropriate action to address the MI. I notified the AO on 09 October 2024 of the following recommendations to address the MI, which should have been implemented by 09 May 2025 with a progress report by 09 February 2025:

- Appropriate action should be taken to investigate the non-compliance with Treasury Regulation 10.1.2 to determine the circumstances that led to the non-compliance for the purpose of taking appropriate corrective actions to prevent re-occurrence and to determine if any official should be held responsible.

- Effective and appropriate disciplinary steps should be initiated without undue delay, against any official that the investigation found to be responsible, as required by section 38(1)(h) of the PFMA and in accordance with Treasury Regulation 9.1.3.

- If it appears that the trading entity suffered a financial loss through criminal acts or possible criminal acts or omissions, this should be reported to the South African Police Service, and if liability can be demined the accounting officer must recover the value of losses or damages from the person/persons responsible as required by Treasury regulation 12.5.

126. The accounting officer submitted progress report on 10 February 2025, and substantiating documentation on the progress made with the implementation of the recommendations. In this regard, the accounting officer indicated that a Forensic and Investigative Accounting firm was appointed on 11 December 2024 to investigate the allegation of serious maladministration related to the purchase of the Telkom Campus by the Department of Public Works and Infrastructure.

127. On 27 May 2025, the accounting officer provided further written response on the progress made in the implementation of the recommendations. In the response, the accounting officer stated that the investigation was still underway. Based on my assessment of the written responses and substantiating documentation I concluded that the recommendations were not adequately implemented within the stipulated period and appropriate actions were not taken to address the material irregularity.

128. I notified the accounting officer on 26 August 2025 of the following remedial action to address the material irregularity, which must be implemented by 26 January 2026 with a progress report by 26 October 2025:

- Appropriate action must be taken to investigate the non-compliance with Treasury Regulation 10.1.2 to determine the circumstances that led to the non-compliance for the purpose of taking appropriate corrective actions to prevent recurrence and to determine if any official should be held responsible.

- Effective and appropriate disciplinary steps must be initiated without undue delay against any official that the investigation found to be responsible, as required by section 38(1)(h) of the PFMA and in accordance with Treasury Regulation 9.1.3.

- If it appears that the trading entity suffered a financial loss through criminal acts or possible criminal acts or omissions, this must be reported to the South African Police Service, and if liability can be demined the accounting officer must recover the value of losses or damages from the person/persons responsible as required by Treasury regulation 12.

129. I will follow up on the implementation of the remedial actions after the due date.

Lease No. 139901 overpayment

130. The trading entity entered into a lease agreement on behalf of the Department of Justice and Constitutional Development (DoJ&CD) with the landlord on 1 April 2011 for a period of five (5) years. Occupation did not take place on the commencement date due to tenant installations, which were being effected by the landlord. During this period, an addendum to the main contract was signed on 7 November 2014 for additional space and an amendment to the commencement date. The impact of this addendum was that the lease commencement date changed to 1 October 2012. The lease has continued on a month-to-month basis after 30 September 2017, which is the expiration of the original lease agreement, to date.

131. Between June 2015 and December 2017, while the entity was still using the Property Management Information System (PMIS) for lease payments, overpayments to the landlord were made due to various reasons.

132. The leasing module on the Archibus system was implemented in September 2019 and all lease data was migrated from PMIS into the new system. The monthly lease obligation at the time was R737 735, however it was captured as R857 965 on the system. Management did not identify and rectify the error in time; this has resulted in the system escalating an incorrect amount and resulted in consistent, monthly overpayments. As at 31 March 2022, the calculated cumulative overpayments made to the landlord, amounted to R4 452 528.

133. The overpayments stated above indicate that management did not ensure that internal procedures and internal control measures were in place for the approval and processing of rental payments. These controls would have provided management reasonable assurance that rental payments to be made were necessary for each month and appropriate. This control deficiency resulted in non-compliance with TR8.1.1. The non-compliance is likely to result in a material financial loss for PMTE of R4 452 528 as the overpayments can still be recovered from the landlord.

134. The accounting officer was notified of the material irregularity (MI) on 10 November 2022 and invited to make a written submission on the actions taken and that will be taken to address the matter. The accounting officer responded on the 8 December 2022. The response from management including the supporting evidence, indicating that the following steps have been taken to address the MI:

135. Identified the three parties responsible for the overpayments and issued warning letters to the officials that are still in the in employ of the trading entity. Management recovered R1 524 807,52 of the R4 452 528 and are still in the process of investigating the remaining amount. The lease information was corrected on the Archibus system in May 2022 therefore the trading entity is paying in line with the lease agreements.

136. Due to other MIs raised with regards to leases, management embarked on a lease clean-up process by an external service providers in June 2022, and as of March 2023 management has implemented controls to detect any lease overpayments, however, concerns in the control environment remain due to the fact that the controls are not yet fully effective in preventing overpayments as similar instances were noted on other lease contracts.

137. Follow up responses and supporting documents received in July 2024 indicated that further overpayments on the lease were made from September 2023 to 31 March 2024 due to the new lease agreement with an effective date of 1 September 2023 not being captured timeously on Archibus.

138. During the 2024-25 financial year follow up responses and supporting documents were submitted by the accounting officer in February 2025. The following actions were noted:

- As the operating cost was omitted from the reduced renewed lease agreement which was effective from 1 September 2023, both the landlord and the trading entity signed another lease addendum to rectify the omission in February 2024 retrospectively to 1 September 2023. In July 2024 the trading entity and the landlord signed another addendum to postpone the effective date of the reduced renegotiated lease from 1 September 2023 to 1 March 2024. The effective date was therefore postponed for six months.

- The reduce monthly lease obligations were not captured on the lease system until April 2024 while the addendum to postpone the effective date was signed in July 2024. The implemented controls to ensure that new negotiated leases are captured timeously on the lease system was therefore not adhered to.

- The postponement of the reduced lease obligation resulted in no additional overpayments being occurred to date.

- Management continued the use of credit notes to deduct any overpayments from future rentals to recover the overpayments. As of July 2024, the amount of R4 452 528 was fully recovered.

139. Based on the assessment of the response and evidence presented and despite the overpayment being recovered, I concluded that the accounting officer is not taking appropriation actions to address the MI.

140. I referred the MI to the Special Investigating Unit on 5 September 2025 for investigation as provided for in section 5(1A) of the PAA.

141. I further notified the accounting officer on 11 August 2025 of the following recommendations, which have to be implemented by 9 March 2026 with a progress report by 8 November 2025.

- An appropriate action should be taken to investigate the non-compliance with Treasury Regulation 8.1.1 in order to determine the circumstances that led to the non-compliance for the purpose of taking appropriate corrective actions.

- Reasonable steps should be taken to implement internal controls over management of leases to ensure that payments are made in accordance with lease agreements and to prevent further losses, as required by Treasury Regulation (TR) 8.1.1.

- Effective and appropriate disciplinary steps should be initiated without undue delay against any officials that the investigation found to be responsible, as required by section 38(1)(h) of the PFMA.

142. I will follow up on the implementation of the recommendations after the due dates.

Leeuwkop prison asset not appropriately safeguarded during construction

143. PMTE appointed a service provider for the replacement and maintenance of boilers for a period of 24 months on 26 January 2012. Due to the service provider's continued inability to meet deadlines in relations to the supply and installation of the boilers as per the site programme of works, the contractor was first placed in mora on 18 October 2013 and then the contact was subsequently terminated with effect from 5 June 2014.

144. After termination of the initial contractor, the boilers on site were not appropriately covered as they were exposed to severe weather conditions, the plastic covering the boilers was damaged. This had an impact on ancillary equipment as they became corroded and unusable.

145. The accounting officer did not take full responsibility for the safeguarding of the boilers while they were on site and after the termination date of the initial contractor, as a result, more costs will be incurred to replace and refurbish critical equipment's that have corroded. This is a contravention of TR10.1.1 (a) which requires that the accounting officer of an institution must take full responsibility and ensure that proper control systems exist for assets and that preventative mechanisms are in place to eliminate theft, losses, wastage and misuse. The contravention of TR10.1.1 (a) is likely to result in a material financial loss.

146. The accounting officer was notified of the MI on 26 August 2021 and invited to make a written submission on the actions taken and that will be taken to address the matter. The response was received on 23 September 2021.

147. Even though the accounting officer disagreed with the finding and the MI, in their response they agreed that there was a subsequent deterioration of the boiler cover and corrosion of boiler components. As a result, the boilers were exposed to inevitable physical weather elements. Due to the disagreement the accounting officer did not implement any corrective actions.

148. A new accounting officer was appointed in April 2022 and was informed of the MI. The accounting officer was afforded the opportunity to respond as to whether he will uphold the view on the MI as their predecessor. The accounting officer confirmed that he supported the view of his predecessor. Based on the latter no actions were implemented by the trading entity to address the MI

149. Based on the assessment of the written responses and supporting evidence submitted, I concluded that the AO did not take appropriate action to address the MI. I notified the AO on 31 July 2022 of the following recommendations that should have been implemented by 30 January 2023:

150. Appropriate action should be taken to investigate the non-compliance to determine if any official should be held responsible.

- The financial loss relating to the boilers should be quantified and appropriate action should be taken to determine whether the responsible official(s) is liable by law for the losses suffered by the department for the purpose of recovery, as required by TR 12.7.1.
- Effective and appropriate disciplinary steps should be initiated, without undue delay, against any official that the investigation found to be responsible, as required by section 38(1)(h) of the PFMA.
- Reasonable steps should be taken to ensure that preventative mechanisms are in place to eliminate further losses on account of inadequate safeguarding or other damage in relation to construction site assets as required by TR section 10.1.1(a).

151. The accounting officer made representations and submitted substantiating documentation on the implementation of the recommendations between January 2023 and July 2024. I duly considered the representations and substantiating documentation and decided not to pursue this matter further under the material irregularity process.

Lease no. 140227 Overpayment

152. PMTE entered into a lease agreement on behalf of the Department of Defence (DoD). The original lease agreement was entered into on 24 April 2014 for a period of 5 years and only took effect on occupation on 1 April 2015. The lease agreement was amended for additional space and parking bays based on the same terms and conditions as the main lease with effect from 1 April 2016 for a period of 4 years.

153. Upon the implementation of the Archibus leasing system in September 2019, management commenced consistently making overpayments to the landlord. The overpayments amounting to R14 062 727 occurred from the implementation of Archibus leasing system up to 31 March 2021. Although some of the overpayments were recovered as at February 2022 the cumulative remaining not recovered overpayments amounted to R3 802 787.

154. Effective internal controls were not in place for approval and processing of payments, as required by TR8.1.1 to ensure that correct rental payments for a lease agreement were made and to prevent the overpayments stated above. These controls would have provided management reasonable assurance that rental payments made were necessary for each month and appropriate. The trading entity is likely to incur a material financial loss of R3 802 787.

155. The accounting officer was notified of the material irregularity on 3 June 2022 and invited to make a written submission on the actions taken and that will be taken to address the matter. The response was received on 5 July 2022 detailing the actions already taken and the planned actions to address the MI. Based on the responses from the accounting officer and supporting evidence provided, the following actions were taken to address the MI:

- Management captured the new lease and effected adjustments to prevent subsequent overpayments on 16 July 2021. The lease is currently paid in accordance with the valid lease agreement.

- Management implemented the use of credit notes to deduct any overpayments from future rentals to recover the overpayments from July 2021. As of February 2023, the amount of R3 802 787 was fully recovered. No further overpayments have been identified since the correction.

- Management identified the person responsible and has taken appropriate consequence management actions. Management has provided evidence that the responsible official has been issued with a verbal warning on 12 July 2021. The responsible official has acknowledged receipt of the verbal warning on 14 July 2021.

- Management undertook a lease data clean-up exercise to mitigate potential future lease overpayments. An external service provider was appointed in September 2021 to assess the extent of the lease overpayments and recommend improvements to the lease management processes. The clean-up exercise is anticipated to be concluded by September 2022.

- The lease clean-up process was concluded in June 2022 by an external service provider, and as of March 2023, management has implemented controls to detect any lease overpayments.

- Follow up responses and supporting documents received in July 2024 indicated that no further overpayments have been made on this lease. As no further overpayments have been made during 2024-25 pertaining to this lease, I concluded that controls were effectively implemented for this lease.

156. The actions taken by the accounting officer to address the MI are deemed appropriate and the matter is therefore resolved.

Lease No. 140280 Overpayment

157. PMTE appointed a service provider for the leasing of office accommodation and parking bays on behalf of the Department of Rural Development and Land Reform (DRDLR) for four (4) years. The lease commenced on 1 October 2015 with a commencement rental amount of R771 656,22 per month and an annual escalation rate 5,5%. The expiry date as per the lease agreement was set at 30 September 2019.

158. During the 2019-20 financial period, lease overpayments were reported as a result of internal controls weaknesses with regard to the payment processes. These duplicate payments/ overpayments mainly occurred between October 2017 and March 2019. The cumulative overpayments over this period amounted to R9 325 082,75.

159. During the 2020-21 financial period, the lease agreement was renewed with effect from 1 June 2019, while the old contract was still active (4 months before it expired). This renewal resulted in a lesser monthly rental payment as compared to the previous lease contract. Management continued to make payments based on the old lease contract which resulted in additional overpayments made since the renewal period of 1 June 2019 up to the end of 31 March 2021 amounting to R1 636 993,88.

160. Effective internal controls were not in place for approval and processing of payments, as required by TR8.1.1 to ensure that correct rental payments for a lease agreement were made and to prevent the overpayments stated above. These controls would have provided management reasonable assurance that rental payments made were necessary for each month and appropriate. PMTE was likely to incur a material financial loss of R10 962 076,63.

161. The accounting officer was notified of the MI on 27 August 2021 and invited to make a written submission on the actions that will be taken to address the MI. The response was received on 23 September 2021 which was retracted and reissued on 15 November 2021.

162. The written responses from management, including the supporting annexures, indicate that the following steps have been taken to address the MI:

- The accounting officer indicated that the trading entity had already appointed an external service provider to review the extent of the overpayments on the leasing portfolio and recommend any changes necessary. The appointment of the mentioned service provider is part of the greater lease clean-up project undertaken by the trading entity with the objectives of ensuring:
    - Verification of data correctness on Archibus against lease agreements;
    - Correction of historical and current data to ensure correct payments;
    - Upload all supporting documents on Archibus;
    - Implement delegations for any changes on the system especially on active leases;
    - Perform monthly reconciliation prior to the payment run to identify under/ overpayments; and

- Perform final reconciliation after the payment run to confirm transactions processed;

- From February 2022, management captured the lease details on the Archibus system correctly for this specific lease agreement, and the lease is currently paid in accordance with the valid lease agreement.

- The trading entity implemented the use of credit notes to deduct any overpayments from future rentals. The recovery process began in June 2021. As of June 2022, the amount of R10 962 076,63 was fully recovered. No further overpayments have been identified since the correction.

- Consequence management has been implemented to the lease management team as they explained the lack of oversight on lease payments and a final written warning was issued and accepted by the two responsible officials in January 2022.

- The lease clean-up process was concluded in June 2022 by an external service provider, and as of March 2023, management has implemented controls to detect any lease overpayments.

- Follow up responses and supporting documents received in July 2024 indicated that no further overpayments have been made on this lease. As no further overpayments have been made during 2024-25 pertaining to this lease, I concluded that controls were effectively implemented for this lease.

163. The actions taken by the accounting officer to address the MI are deemed appropriate and the matter is therefore resolved.

Construction contract extensions approved, incorrectly included contract value adjustment

164. PMTE entered into a contract with a service provider on 28 November 2013 to construct a magistrate court building in Mamelodi (WCS 044028). The contract was for a period of 18 months for construction and the contract value was R94 742 592,85.

165. The construction of the Mamelodi magistrate court project has been significantly delayed and the expenditure paid to date exceed the initial contract amount. The practical completion date of the contract has been extended and PMTE has been approving the contract extensions with adjustments to the contract value with the daily rate of R24 283,26 charged by the contractor. Based on the approved claims 4, 5, 8 and 9, the delays resulted from civil unrest, riots, strikes and lockouts.

166. This was a contravention of the JBCC 2000 Principal Building Agreement Clause 29.1 which stipulates that the contractor is entitled to a revision of the date of practical completion but for which the contract value should not be adjusted if it pertains to delays related to civil unrest, riots or strikes. However, requests for extensions with a financial impact where the cause of the delay related to civil unrest, riots, strikes and related matters were approved.

167. The delegation of authority dated 8 December 2009, in paragraph 7.4 pertaining to the approval of the extension of contract periods as part of the general notes and condition 2 on the approved delegation, stipulates that any decision regarding the extension of the contract needs to be based on the conditions of the contract and that the decision-taker has no opportunity to exercise any discretion in reaching the decision. The approval of claims 4, 5, 8 & 9 were not in line with the conditions of the contract.

168. The approval of the listed claims in convention of the delegations resulted in a contravention of section 45(a) of the PFMA which requires that an official in a department, trading entity or constitutional institution

must ensure that the system of financial management and internal controls established for that department, trading entity or constitutional institution is carried out within the area of responsibility of that official. These contraventions is likely to result in a material financial loss for PMTE as it may be possible to recover the amount from an external party.

169. The Accounting officer was notified of the MI on 15 October 2021 and invited to make a written submission on the actions taken and that will be taken to address the matter. The accounting officer responded on the 17 November 2021. The written responses from management including the supporting annexures, indicates that the following steps have been taken to address the MI:

- Disciplinary actions instigated:
  - On 17 November 2021, letters of consequence management have been issued to the project management team to explain their actions in approving the claims and payments to the contractor.
  - The accounting officer received responses from the four (4) persons identified as the responsible parties that caused the MI. On 25 March 2022, the accounting officer took further action and referred the matter to Labour Relations to conduct an investigation to prepare charge sheets and institute disciplinary action against the identified officials.
  - On 17 August 2022, Labour Relations requested clarification on additional documentation and the scope of the charges. Both the internal control directorate and later the DPWI's anti-corruption unit (ACU) were requested to investigate. The review of the information by the ACU concluded that the matter does not warrant a forensic investigation as the facts of the matter are already at the disposal of the trading entity to enable resolution of the matter' as the information required by Labour Relations can be sourced from the relevant line functions within the trading entity.
  - Following the receipt of the ACU report of 16 May 2023, the Pretoria regional office is dispatching the additional information required for Labour Relations.
- PMTE sent a letter to the principal agent requesting an explanation of the payments made. The letter to the principal agent was issued on 17 November 2021.Based on the response of the principal agent, the trading entity has resolved to issue a letter of demand to the contractor for the payments made. The letter to the principal agent was issued on the 17 November 2021 and the principal agent responded on the 25 November 2021.
- Initial activities to recover the funds through the principal agent, in line with the JBCC contract, was not successful. This resulted in the trading entity issuing a letter of non- compliance to the principal agent. On 7 September 2022, the principal agent wrote to the trading entity indicating that they are terminating their contract agreement with the trading entity.

170. PMTE sent a letter of demand to the service provider on 27 March 2023, requesting a refund for R3 011 124, 24 (VAT exclusive) due to application for extension of contract which were erroneously approved with cost. In this regard, the service provider was requested to make such payments or arrangements for payments thereof within 14 days of receipt of the letter. However, the service provider failed to execute any action and the trading entity referred the matter to the office of the state attorney for recovery.

- The state attorney received the instruction to recover losses from the contractor on 18 May 2023 and further requested counsel to be briefed on the matter. A consultation was held on 27 March 2024 with counsel on the matter and additional documents were requested in order to process the matter.

171. Follow up responses and supporting documents received 31 October 2024 indicated that the accounting officer has since granted approval to discipline one employee who is still in the employ of the department while as another employee who was a project manager is no longer in the employment of DPWI.

172. I have considered the representations made and the substantiating documents provided and have concluded that appropriate actions have been taken to address the material irregularity. The MI is therefore resolved.

Other reports

173. In addition to the investigations relating to material irregularities, I draw attention to the following engagements conducted by various parties. These reports did not form part of my opinion on the financial statements or my findings on compliance with legislation.

174. The Special Investigation Unit (SIU), under Proclamation No. R83 of 2022, is investigating the alleged serious maladministration, unlawful appropriation or expenditure of public money and damage to public property which took place between 22 May 2009 and the date of publication of this proclamation or which took place prior to 22 May 2009 or after the date of publication of this proclamation. In addition, the SIU is investigating unauthorised, irregular and wasteful expenditure in respect to projects and non/poor performance by contractors. The SIU is in the progress of finalising the investigation.

175. The SIU, under Proclamation No. R20 of 2018, is investigating the alleged serious maladministration, improper or unlawful conduct by officials, unlawful appropriation or expenditure, unlawful, irregular or unapproved acquisitive act, transaction, measure or practice having a bearing upon state property which has taken place between 1 October 2003 and the date of the publication of this proclamation. In addition, the following key focus areas formed the basis for the investigation: quotation, allegations of fraud, irregular awarding of contracts, fruitless and wasteful expenditure, and conflict of interest. The SIU is in the process of finalising the investigation.

176. The SIU, under proclamation no R256 of 2025, is investigating the appointment of travel agents during 2017 for the rendering of travel agency services, accommodation, vehicle hire, by or on behalf of the Department and payments made in manner that was not fair, competitive, transparent, equitable or cost effective, legislative, not in terms of guidelines or manuals, policies or procedures applicable. The SIU is in the process of conducting an investigation.

177. Investigation into alleged irregular award for the supply and installation of solar panels and waste facilities was conducted by an organ of state between August and March 2025. The investigation was carried out in terms of Section 196(4)(f) of the Constitution of the Republic of South Africa, 1996. The investigation concluded that the appointment process was not irregular, and the report was issued to the Minister of DPWI on the 31 March 2025.

178. A specialized forensic firm is investigating a data breach of the DPWI payment system that occurred from August 2014 to April 2024, resulting in potential fraudulent transactions. The investigation covers the causes of the breach and vulnerabilities, vulnerability and susceptibility to cyber-crime of the ICT

infrastructure within the department, and the lack of staff capacity and weak ICT systems. Concurrently, the State Security Agency (SSA) and the SAPS (Hawks) are conducting a separate investigation into the fraudulent payments made to various bank accounts as a result of the breach. Furthermore, the SSA investigation will assist to identify vulnerabilities in the payment system and processes. All investigations are currently ongoing.

Auditor-General

Pretoria

11 September 2025

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and on the trading entity'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 trading entity'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 trading entity to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a trading entity to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

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

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Section, regulation or paragraph
Public Finance Management Act 1 of 1999	Section 38(1)(b); 38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(f); 38(1)(h)(iii); 40(1)(a); 40(1)(b); 40(1)(c)(i); 44; 45(b);
Treasury Regulations, 2005	Regulation 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1; 7.2.1; 8.1.1; 8.2.1; 8.2.3; 8.4.1; 9.1.1; 9.1.4; 10.1.1(a); 10.1.2; 11.4.1; 11.4.2; 11.5.1; 12.5.1; 15.10.1.2(c); 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a); 16A6.2(a)(ii); 16A6.2(b); 16A6.3(a); 16A6.3(b); 16A 6.3(c); 16A 6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii); 17.1.1; 18.2; 19.6.1; 19.8.4
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
National Treasury Instruction No. 5 of 2020/21	Paragraph 4.8; 4.9, 5.3
Second Amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Treasury Instruction No. 1 of 2021/22	Paragraph 4.1
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6

National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2(b); 4.3; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
National Treasury Practice Note 5 of 2009/10	Paragraph 3.3
National Treasury Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulations, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulation, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; 6.6; 6.8; 7.1; 7.2; 7.3; 7.6; 7.8; 8.2; 8.5; 9.1; 10.1; 10.2; 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

The reports and statements set out below comprise the annual financial statements:

Index

The annual financial statements set out on pages 408 to 510, which have been prepared on the going concern basis, were approved by the accounting officer on 10 September 2025.

Property Management Trading Entity
Annual Financial Statements for the year ended 31 March 2025

Statement of Financial Position as at 31 March 2025

	Note(s)	2025 R'000	2024 Restated* R'000
Assets			
Current Assets			
Receivables from exchange transactions	3	4 095 161	4 579 611
Receivables from non-exchange transactions	4	1 476	746
Operating lease asset	5	362 268	425 886
Cash and cash equivalents	6	1 885	8 087
		4 460 790	**5 014 330**
Non-Current Assets			
Property, plant and equipment	7	120 083 256	121 075 299
Investment property	8	352 966	358 423
Heritage assets	9	30 902 137	30 875 018
Intangible assets	10	84 445	69 700
		151 422 804	**152 378 440**
Total Assets		**155 883 594**	**157 392 770**
Liabilities			
Current Liabilities			
Operating lease liability	5	366 827	422 736
Bank overdraft	6	4 377 816	3 741 199
Deferred revenue	11	3 452 294	3 260 827
Payables from exchange transactions	12	4 471 972	4 441 729
Retention liabilities	13	446 955	326 629
Finance lease obligation	14	6 900	5 562
Employee benefit obligations	15	184 459	195 592
Provisions	16	76 097	108 646
		13 383 320	**12 502 920**
Non-Current Liabilities			

Deferred revenue	11	2 153 856	2 577 726
Retention liabilities	13	15 802	27 775
Finance lease obligation	14	4 875	4 461
		2 174 533	**2 609 962**
Total Liabilities		**15 557 853**	**15 112 882**
Net Assets		**140 325 741**	**142 279 888**

Statement of Financial Performance

	Note(s)	2025 R'000	2024 Restated R'000
Revenue from exchange transactions	17	13 148 781	13 781 603
Revenue from non-exchange transactions	18	4 315 182	4 361 412
Construction revenue	19	22 606	50 534
Total revenue		**17 486 569**	**18 193 549**
Expenditure			
Construction expenses	19	22 606	50 534
Depreciation, amortisation and impairments on assets	20	3 224 065	3 347 803
Employee related costs	21	2 224 820	2 126 719
Impairment loss on receivables	22	2 355 921	1 465 723
Interest expense	23	2 383	980
Loss on disposal of assets	24	68 283	54 772
Operating leases	25	5 915 958	5 674 871
Property maintenance	26	2 112 063	2 285 334
Property Rates		1 787 427	1 907 068
Sundry operating expenses	27	1 727 191	1 670 277
Total expenditure		**19 440 717**	**18 584 081**
Deficit for the year		**(1 954 148)**	**(390 532)**

Property Management Trading Entity
Annual Financial Statements for the year ended 31 March 2025

Statement of Changes in Net Assets

	Note	Accumulated surplus R'000
Opening balance as previously reported as at 1 April 2023		144 405 156
Adjustments		
Correction of prior period errors	35	(1 734 736)
Balance at 1 April 2023		**142 670 420**
Changes in net assets		
Restated surplus for the year		(390 532)
Correction of prior period error added back	35	2 002 209
Total changes		1 611 677
Opening balance as previously reported at 31 March 2024		144 282 098
Adjustments		
Correction of prior period errors	35	(2 002 209)
Balance at 01 April 2024 as restated*		**142 279 889**
Changes in net assets		
Deficit for the year		(1 954 148)
Balance at 31 March 2025		**140 325 741**

Cash Flow Statement

	Note(s)	2025 R'000	2024 Restated* R'000
Cash flows from operating activities			
Receipts			
Accommodation charges - private lease		5 536 702	4 969 740
Accommodation charges - state owned		5 894 489	5 520 445
Accommodation charges - freehold private		80 775	61 346
Augmentation		4 288 092	4 276 212
Management fees on municipal services		149 661	147 752
Municipal services recovered		2 843 316	2 955 038
Interest, fines, recoveries and other receipts		66 913	138 076
		18 859 948	18 068 609
Payments			
Cleaning and gardening		(391 287)	(383 535)
Admin goods and services		(492 743)	(363 705)
Repairs		(781 286)	(739 953)
Property Maintenance		(1 619 650)	(2 224 560)
Municipal services		(3 650 119)	(3 640 798)
Municipal services non-recoverable		(456 258)	(450 623)
Operating leases		(5 716 627)	(5 674 954)
Property rates		(1 939 376)	(1 841 944)
Compensation of employees		(2 245 552)	(2 131 087)
Theft and losses		(60 935)	(40 763)
		(17 353 833)	(17 491 922)
Net cash flows from operating activities	28	**1 506 115**	**576 687**
Cash flows from investing activities			

Additions to property, plant and equipment		(2 026 570)	(2 231 301)
Aquisition of intangible assets		(71 287)	(33 089)
(Acquisitions) /Disposal of heritage assets		(51 604)	(64 208)
Net cash flows from investing activities		**(2 149 461)**	**(2 328 598)**
Cash flows from financing activities			
Finance lease payments		(8 248)	(7 666)
Finance leases entered into		8 775	4 680
Net cash flows from financing activities		**527**	**(2 986)**
Net decrease in cash and cash equivalents		**(642 819)**	**(1 754 897)**
Cash and cash equivalents at the beginning of the year		(3 733 112)	(1 978 215)
Cash and cash equivalents at the end of the year	6	**(4 375 931)**	**(3 733 112)**

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments amounts	Final Budget	Actual on comparable basis	Difference between final budget and actual
	R'000	R'000	R'000	R'000	R'000
Statement of Financial Performance					
Receipts					
Accommodation charges - private lease	5 936 931	(170 384)	**5 766 547**	5 536 702	**(229 845)**
Accommodation charges - state owned	7 456 977	(1 194 048)	**6 262 929**	5 894 489	**(368 440)**
Accommodation charges - freehold private	83 313	-	**83 313**	80 775	**(2 538)**
Augmentation	4 168 392	119 700	**4 288 092**	4 288 092	**-**
Interest, fines, recoveries and other receipts	5 225	-	**5 225**	66 913	**61 688**
Management fees on municipal services	-	-	**-**	149 661	**149 661**
Municipal services recovered	-	3 657 555	**3 657 555**	2 843 316	**(814 239)**
Receipts	**17 650 838**	**2 412 823**	**20 063 661**	**18 859 948**	**(1 203 713)**
Payments					
Cleaning and gardening	393 705	(648)	**393 057**	391 287	**(1 770)**
Admin, goods and services	489 246	87 921	**577 167**	492 743	**(84 424)**
Repairs	881 443	(269 846)	**611 597**	781 286	**169 689**
Property Maintanance	1 783 428	(153 302)	**1 630 126**	1 619 726	**(10 400)**
Municipal services recoverable	-	3 657 555	**3 657 555**	3 650 119	**(7 436)**
Operating leases	6 107 251	(193 251)	**5 914 000**	5 716 627	**(197 373)**
Property rates	2 069 727	(156 877)	**1 912 850**	1 939 376	**26 526**
Compensation of employees	2 197 897	-	**2 197 897**	2 245 552	**47 655**
Municipal services non-recoverable	546 868	(87 418)	**459 450**	456 258	**(3 192)**
Theft and losses	-	-	**-**	60 935	**60 935**
Payments	**14 469 565**	**2 884 134**	**17 353 699**	**17 353 909**	**210**
Capital movements					
Recoverable capital expenditure	1 761 932	(352 707)	**1 409 225**	904 849	**(504 376)**

Non-recoverable capital expenditure	1 372 318	(118 604)	**1 253 714**	1 141 730	**(111 984)**
Machinery and equipment	47 023	-	**47 023**	30 992	**(16 031)**
Additions to intangible assets	-	-	**-**	71 287	**71 287**
	3 181 273	**(471 311)**	**2 709 962**	**2 148 858**	**(561 104)**
Cash deficit	**-**	**-**	**-**	**(642 819)**	**(642 819)**

Notes to the Annual Financial Statements

1. Presentation of Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), including any interpretations and directives issued by the Accounting Standards Board (ASB), unless otherwise indicated, and in accordance with Section 91(1) of the Public Finance Management Act (Act No. 1 of 1999).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand ("R") which is also the functional currency of the Property Management Trading Entity ("PMTE"). Values are rounded to the nearest thousand ("R'000") unless otherwise indicated.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

1.1 Significant judgement and sources of estimation uncertainty

1.1.1 Control of immovable assets

The Department of Public Works and Infrastructure is the legal custodian of all immovable assets vested in national government, except in cases where custodial functions were assigned to other ministers by virtue of legislation before the commencement of GIAMA on 1 April 2009. The Department of Public Works and Infrastructure (DPWI) assigned those functions to the PMTE and by virtue of the transfer of functions that occurred on 18 November 2013, and 30 March 2015, the PMTE controls those assets for accounting purposes. The PMTE benefits from the assets in pursuit of its objectives and regulates the access of others to the benefits of the assets (i.e. the PMTE decides who may benefit from the use of the assets). Control includes the ability to acquire, dispose and maintain the assets.

PMTE monitors state land reflected on the Deeds Register on an on-going basis. Land registered in the name of the national government, that could not be confirmed to be under the custodianship of other national custodians, is recognised by the PMTE. Any changes in ownership is derecognised accordingly. PMTE discloses a contingent asset for properties identified to be under its custodianship where the property could not be reliably measured due to the extent not being determined through the Office of the Surveyor General.

In terms of paragraph 7.37 of the vesting guidelines issued by Department of Rural Development and Land Reform on 30 March 2017, “for any provincial government to claim ownership of vacant land such province should provide proof of intended use. The absence of such proof automatically means that such land vests in the National Government of RSA”. PMTE is thus deemed to have control over such land parcels and has currently recognised unvested land parcels.

PMTE recognises immovable assets where the property will vest with the national government based on the principles contained in the approved vesting guidelines.

Whilst properties (land and buildings) as outlined in the Endowment Act no. 33 of 1922 are disclosed in the financial statements of Department of Defence (DoD), there are a number of extended structures pertaining to such endowment facilities that have "encroached" onto neighbouring land under the custodianship of PMTE. Whilst such structures are reflected as part of endowment properties by DoD, the underlying land is currently reflected in immovable assets by PMTE until such time as it may be transferred to DoD. Control and or access over such land may be restricted given the DoD facilities thereon.

1.1.2 Assets and liabilities related to the transfer of functions

For initial measurement purposes, assets acquired through the transfer of functions are measured at their carrying amounts as per the records of the DPWI. Where those carrying amounts do not represent GRAP compliant amounts, the carrying amounts were estimated using various measurement bases, depending on the type of asset or liability. For the purposes of determining a deemed cost, immovable assets transferred were valued using either the municipal valuations, comparable sales value or depreciated replacement cost. For movable assets a depreciated replacement cost was used. Financial assets and liabilities at fair value was used and other liabilities were transferred at the best estimate at the date of transfer. The DPWI transferred functions on two separate occasions, effective 18 November 2013 and 30 March 2015 respectively. For measurement purposes, 1 April 2013 and 1 April 2014 were used respectively. For further details refer to note 1.32.

1.1 Significant judgement and sources of estimation uncertainty (continued)

1.1.3 Useful life and residual values

The estimated useful lives of property, plant and equipment, investment property and intangible assets are assessed annually and is dependent on the condition of the assets. Management applies judgement in assessing the condition of the assets. The residual values are estimated to be zero as the PMTE will be utilising these assets over their entire economic life, unless clear evidence exists to the contrary.

Refer to note 1.7 for the accounting policies on estimated useful lives for property, plant and equipment, note 1.8 for investment property and note 1.10 for intangible assets.

1.1.4 Classification of accommodation charges as

lease revenue from exchange transaction

As the intention of the PMTE is to provide accommodation at values that are directly equal to the value of the service being delivered, the PMTE categorises all accommodation charges, with the exception of prestige accommodation, as revenue from exchange transactions, notwithstanding the fact that this revenue may or may not equal the value of the service delivered. In addition, the second property allocated to the executive authority, the ministerial handbook requires the minister to be charged a percentage of his or her salary as rental fee.

Revenue from non-exchange transactions

The amount for prestige accommodation is determined in accordance with the ministerial handbook. The ministerial handbook allows the ministers to stay free of charge in the first property provided to him or her. Therefore, the receivable is classified as a statutory receivable and the revenue is classified as non-exchange transaction.

1.1.5 Classification and measurement of leases

Management uses judgement to determine if a lease is classified as an operating or a finance lease. Management's judgement is based on whether risk and rewards incidental to ownership have been transferred.

Cognisance has been taken of the fact that client departments generally extend the period for which they lease premises through the PMTE where these properties are rented from the private sector. It is difficult to conclude that it is certain that the PMTE (as lessee) will always extend the lease term of leasehold property at inception of the lease because of the general occupation trend of its client departments. Taking everything into consideration, management is of the opinion that the risk and rewards incidental to ownership is not transferred during the lease term from either the lessee's or the lessor's perspective.

The same terms and conditions included in the underlying lease agreements with the landlord is used to determine the relevant presentation for lease-out arrangements.

The PMTE considers leases to be month-to-month leases when the underlying lease agreements on leasehold properties have expired and the asset is still being utilised by the client department.

As the lease terms and conditions are not determinable for month-to-month leases and freehold inter-governmental accommodation, the lease revenue and expenditure are recognised when due.

1.1.6 Provision for maintenance

Management developed a model to determine the amount due to suppliers for work performed when job cards are outstanding and/or the value of the service has not been confirmed. The model is based on historical trends and costing data. The base line data is determined on actual information for payments made during 2016. For the purpose of determining the average time of service to be rendered, management stratified the data of calls logged and payments made in accordance with the severity of the incident. For the purpose of determining the average price per incident, the data was stratified based on the category of maintenance call. The average price is adjusted for the effect of inflation on an annual basis. The actual amounts due, on an individual basis, may differ significantly from the provision made.

1.1 Significant judgement and sources of estimation uncertainty (continued)

1.1.7 Impairment

Impairment of receivables measured at cost or amortised costs

The estimation and calculation of impairment are accounted for in accordance with the Standards of GRAP.

Invoices from client departments are allocated through voted funds and are due within 30 days from invoice date. If client departments do not pay within 30 days, the receivable is assessed for impairment.

An impairment loss is recognised firstly on individually significant (i.e greater than 5 percent of balance) receivables. Thereafter an impairment loss is recognised on the remaining individually non-significant receivables. Impairment assessments are based on objective evidence as a result of one or more events that occurred during the reporting period. For clients which have defaulted, management is analysing historical payment trends to determine if the receivables if the receivables have to be impaired. The actual write-offs may differ significantly from the impairment losses recognised.

Recovery rate is the rate used for both individually significant and non-significant receivables to estimate the present value of future cash flows for the expected payment are based on historical data or period. The average payment days for previous financial year is considered for the determination of date of the expected future payment date as part of the calculation of present value of expected cash flows. The discount rate used for impairment purposes is not adjusted for the different classes of receivables as the majority of the debt is with government departments.

Impairment of non-current assets

The PMTE uses the depreciated replacement cost method for measuring the impairment of majority of the immovable assets. Depreciated replacement cost is based on the current building indices factoring in the current condition rating assessed.

Assets under construction are considered for impairment when the project is cancelled, halted or delayed. For furniture, machinery, computer, office and other equipment, the asset is considered for impairment when it is no longer used, physically damaged or there is a significant change in the condition of the asset.

1.1.8 Significantly delayed projects

A project is regarded as 'significantly delayed' when it has been delayed by more than 50% of the planned project period.

Projects are regarded as technically delayed, for financial statement disclosure purposes, when the project has not yet reached practical completion status at reporting date and the 'planned project period' has expired before the reporting date.

Projects that are 'Completed', 'Cancelled' or in the 'Planning and Design stage' are excluded from the population for the purpose of the 'significantly delayed' disclosures.

1.1.9 Classification of immovable assets

Judgement is applied when classifying immovable assets between property, plant and equipment, investment property and heritage assets. Consideration is given to the type of property, the purpose for which the property is held, and the occupant. The main factor considered is whether PMTE holds the asset either for service delivery (in accordance with government objective), resulting in property, plant and equipment, or for capital appreciation and/or earning or rentals, resulting in investment property, or for future generations resulting in heritage assets. Where state property is rented out to another government entity or public service employees to provide cost effective accommodation services or for social services, these properties are classified as property, plant and equipment rather than investment property as the PMTE holds these assets to deliver on its mandate rather than to earn rentals or capital appreciation.

The Standard of GRAP on Investment Properties (GRAP 16) requires undeveloped land, for which no purpose has been determined, to be classified as investment property. However, where the land is acquired for strategic purposes, the land is to be classified as property, plant and equipment. In considering the classification of undeveloped land, the PMTE considers how it acquired the land and whether the land is being used. Where the land was acquired through expropriation or a result of legislation, the PMTE classifies the land as property, plant and equipment rather than investment property, as it is assumed to be acquired for strategic purposes in accordance with government's policies and aims.

1.1 Significant judgement and sources of estimation uncertainty (continued)

PMTE determines the intended use of a facility by evaluating the characteristics of the facility against the criteria for Investment Property. The criteria for Investment Property are as follows:

The current occupant (lessee) is not an organ of state; and

- Future occupants of the facility will most probably not be an organ of state; and
- There is no intention for the facility to be occupied in future by an organ of state for the production or supply of goods or services, for administrative purposes or for executing its mandate; and / or
- The facility is held in its entirety, for long-term/future capital appreciation rather than for short-term sale in the ordinary course of operations; or
- The facility is specifically earmarked as Investment Property (i.e. for rental to occupants that are not organs of state; or for development with the sole intention to be leased to occupants that are not organs of state, or capital appreciation); and / or
- A vacant building/facility is held to be leased out under one or more operating leases on a commercial basis to external parties; and
- The intended use is of a dual nature/purpose. A facility will only be classified as Investment Property if the main purpose and most significant use of the facility is to earn rentals or capital appreciation; or
- The facility is being constructed or developed for future use as investment property.

Heritage assets may be used for administrative purposes. Management uses judgement to determine whether a significant portion of the heritage asset is utilised for office accommodation. If a significant portion of the heritage asset is utilised for administrative purposes, the asset is classified as property, plant and equipment under the Standard of GRAP on *Property, Plant and Equipment* (GRAP 17).

For purposes of classifying these non-financial assets, that are subject to impairment, either as cash-generating or non- cash generating, PMTE applied the following criteria:

- The purpose for which the asset is held;
- The intention to earn commercial (profit-making) return on the property;
- The ability to earn commercial return on the property; and
- The restrictions on the use of the property by PMTE.

The PMTE, as a trading entity of the DPWI, is accountable for these assets and needs to maintain these assets on behalf of national government. It cannot use these assets for any other purpose than to deliver on its mandate (consistent with GIAMA and the PFMA). The PMTE has to provide accommodation to other departments to enable them to deliver on their mandates. Where the PMTE does ask market related rent on property that is not utilised by other departments, it is not considered material and therefore all non-financial assets have been classified as non-cash generating for impairment purposes.

1.1.10 Principal - agent relationships

The PMTE's mandate is to manage the accommodation and infrastructure needs of national departments. Should the PMTE be unable to satisfy the accommodation needs of a particular client department through the use of state-owned property, the PMTE would lease the required property from a private landlord, on behalf of the client department, and for their beneficial occupation. Consideration was given as to whether the PMTE is acting as an agent on behalf of the client departments, as a result of carrying out these activities.

Management, however, is of the opinion that the decision making ability, the accountability, the credit risk and the value added processes all rest with the PMTE. This indicates that the PMTE is the principal with regards to the lease arrangement with the respective landlords.

Client departments occupying properties are liable for the municipal services charges incurred in utilising those properties. The PMTE offers a service of paying the municipal service charges on behalf of the client departments and then recovering those costs directly from the client department. For this service, the PMTE charges a 5% management fee which is invoiced and recovered from the client department. The PMTE is acting as an agent with regards to the payment and recovery of these municipal service charges. The management fee for rendering this service is recognised as revenue for the PMTE.

The PMTE is using certain public entities to manage projects on its behalf and is liable to pay a management fee to these entities for the services delivered by them. In these arrangements, the PMTE still remains the principal and is still fully accountable for the work performed.

1.1 Significant judgement and sources of estimation uncertainty (continued)

1.1.11 Related party disclosure

The Standard of GRAP on Related Party disclosures (GRAP 20) provides exception from detailed disclosures where those transactions are on:

- Normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the PMTE to have adopted, if dealing with that individual entity or person in the same circumstances; and
- Terms and conditions within the normal operating parameters established by our mandate.

In the absence of a pricing strategy for leases, judgement is made to determine the disclosures around related party transactions based on the nature of the transactions and the associated terms. In addition, many services have been rendered in-kind to the PMTE stemming from its relationship with the DPWI. Due to the nature of these transactions, where amounts cannot be measured reliably, only a narrative disclosure is made. This is in line with the principle in the Standard of GRAP on Revenue from Non-exchange Transactions (GRAP 23) to not recognise certain services-in-kind where it cannot be measured reliably. It is difficult to measure the value of these services and they are usually consumed within the period. Where amounts could be reliably measured, they have been recognised.

1.2 Receivables from exchange transactions

Receivables from exchange transactions are recognised when exchange revenue is due to the PMTE through legislation (statutory receivables) or in accordance with an agreement (financial assets). Refer to note 1.16 and 1.17 respectively.

1.3 Receivables from non-exchange transactions

Receivables from non-exchange transactions are recognised when non-exchange revenue is due to the PMTE through legislation (statutory receivables) or in accordance with an agreement (financial assets). Refer to note 1.16 and 1.17 respectively.

1.4 Leases

The PMTE classifies lease agreements in accordance with risk and rewards incidental

to ownership. The lease is classified as a finance lease where:

(a) the lessor transfers substantially all the risks and rewards to the lessee;
(b) the lease transfers ownership of the asset to the lessee by the end of the lease term;
(c) the lessee has the option to purchase the asset at a price which is expected to be sufficiently lower than the fair value at the date the option becomes exercisable for it to be reasonably certain, at the inception of the lease, that the option will be exercised;
(d) the lease term is for the major part of the economic life of the asset even if title is not transferred;
(e) at the inception of the lease the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset;
(f) the leased assets are of a such a specialised nature that only the lessee can use them without major modifications.

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All other leases are classified as operating leases

Finance leases - PMTE as a lessee

Where the PMTE has assessed itself to be a lessee to a finance lease arrangement, it recognises a finance lease liability and a related leasehold asset, which would be disclosed as part of property plant and equipment. If there is no reasonable certainty that the lessee will obtain ownership by the end of the lease term, the asset shall be fully depreciated over the shorter of the lease term and its useful life.

The PMTE recognises finance lease liabilities resulting from finance leases as a liability in the Statement of Financial Position. Minimum lease payments is apportioned between the finance charge and the reduction of the outstanding liability. Such liabilities are presented as a payable at an amount equal to the net obligation of the lease. Interest expense is recognised based on the interest rate implicit in the finance lease. Where the fair value of the assets are not available to determine the implicit interest rate in the lease, the PMTE uses the rate applicable to debt owed by the state. The liability is recognised at the lower of the fair value of the leased asset or the present value of the minimum lease payments.

1.4 Leases (continued)

Operating leases - PMTE as a lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term where the lease term exceeds one month; except where the terms and conditions have not been determined or are in the process of being re-negotiated. Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis. Lease revenue is presented as accommodation charges in the Statement of Financial Performance and notes to the financial statements. The PMTE recognised month-to-month leases as revenue from exchange transactions as and when the revenue is due.

leases - PMTE as a lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term where the lease term exceeds one month; except where the terms and conditions have not been determined or are in the process of being re- negotiated. The difference between the amounts recognised as an expense and the contractual payments is recognised as an operating lease asset or liability.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

Operating Lease Commitments

Lease commitments are disclosed in the notes to the financial statements, showing future minimum lease payments under non-cancellable operating leases. The entity discloses the total future minimum lease payments under non-cancellable operating leases for each of the following periods: within one year, between one and five years, and later than five years.

1.5 Freehold Accommodation Leases

Operating leases - PMTE as a

lessor

Operating lease payments are recognised as an expense on a straight-line basis over the lease term where the lease term exceeds one month. In instances where NT approval does not split the cost elements, i.e. municipal property rate cost, future refurbishment reserve, maintenance/operating costs and PMTE cost is taken into consideration.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis. Lease revenue is presented as accommodation charges in the Statement of Financial Performance and notes to the financial statements.

1.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and other short-term liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Cash and cash equivalents are classified as financial instruments (refer to note 6).

1.7 Property, plant and equipment

Property, plant and equipment are tangible non-current assets that are held for use in the production or supply of goods or services, rental to others, strategic or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost and subsequently at cost less accumulated depreciation and accumulated impairment losses, except for assets under construction, land and heritage assets, these are subsequently measured at cost less accumulated impairment losses. Land is not depreciated.

1.7 Property, plant and equipment (continued)

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Major spare parts and standby equipment which are expected to be used for more than one period are included in property, plant and equipment. In addition, spare parts and standby equipment which can only be used in connection with an item of property, plant and equipment are accounted for as property, plant and equipment. Major inspection costs which are a condition of the continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Heritage assets assessed as having a dual function of being a heritage asset and providing accommodation services are recognised as property, plant and equipment, if a significant portion of the heritage asset is utilised for office accommodation. Refer to note 1.9 for the accounting policy for other heritage assets.

With the exception of assets acquired through the transfer of functions under common control which is measured at deemed cost as the carrying value at the date of transfer, where property, plant and equipment is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset only when it is probable that the future economic or service potential benefit associated with that item will flow to the PMTE and the cost thereof can be reliably measured.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. These components are depreciated separately.

Depreciation is calculated on a straight line basis over the expected useful lives of each item. Depreciation is charged to the surplus or deficit, unless it is included in the carrying amount of another asset. Depreciation commences on an asset when it is in the condition necessary for it to be capable of operating in a manner intended by management.

Assets under construction are ready for their intended use once a completion certificate or occupational certificate has been issued. At this point depreciation will commence.

The useful life, depreciation method and a residual value for property, plant and equipment are reviewed annually. Any changes are recognised as a change in accounting estimates and included in depreciation.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	**Average useful life**
Building and improvements (including components)	
• Low rise buildings (up to 4 floors)	12 - 50 years
• High rise buildings (more than 4 floors)	40 - 80 years
• Warehouse / garage / storerooms	40 - 60 years
• Prisons	100 years

• Barracks	12 - 50 years
• Dwellings	40 - 60 years
• Temporary structures	30 years
• Roads and harbours	12 - 35 years
• Boundary fences on vacant land	15 years
• Water and other infrastructure	20 - 60 years
• Airport runways	40 - 60 years
• Dams and reservoirs	100 years
• Other	12 - 50 years
Land	indefinite useful lives
Furniture and office equipment	5 - 15 years
Vehicles	5 - 10 years
Computer equipment	3 - 15 years
Other machinery and equipment	10 - 30 years

1.7 Property, plant and equipment (continued)

The PMTE assesses annually at each statutory reporting date whether there is any indication that an asset may be impaired. If such indication exists, the PMTE estimates the recoverable service amount or recoverable amount for non-cash- generating and cash generating assets respectively. An impairment loss is recognised where the carrying amount exceeds the asset's recoverable service amount or recoverable amount as applicable.

The PMTE assesses annually at each statutory reporting date whether there is any indication that an impairment loss recognised in prior period for an asset may no longer exist or may have decreased. If such indication exists, the PMTE estimates the recoverable service amount or recoverable amount of that asset. Any impairment loss recognised in prior periods for an asset is only reversed if there has been a change in the estimated use to determine the asset's recoverable service amount since the last impairment loss was recognised. Reversals of impairment is limited to the carrying amount of the asset had no impairment been recognised for the asset in prior periods.

Impairment losses and reversals of impairment losses are recognised in the surplus or deficit in the period in which the event occurs.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. If a component is replaced, the carrying amount of the existing component is derecognised and the value of the new component is recognised.

The PMTE is not allowed to dispose of or transfer immovable assets under its custodianship unless approved by the Minister of Public Works and Infrastructure or his delegated official, considering the restriction of the State and Land Disposal Act (Act No. 48 of 1961).

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.8 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services or for
- administrative purposes, or
- sale in the ordinary course of operations.

Investment property is recognised as an asset when it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the entity, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost, including transaction costs. Investment property is subsequently carried at cost less accumulated depreciation and any accumulated impairment losses, except for land. Land is not depreciated.

With the exception of assets acquired through a transfer of functions under common control which is measured at carrying amount, where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Depreciation is calculated on a straight line basis over the expected useful lives of each item. Depreciation is charged to surplus or deficit. Depreciation commences on assets when they are in the condition necessary for them to be capable of operating in the manner intended by management. Depreciation ceases when the asset is disposed.

Item	Useful life
Land	indefinite
Buildings and improvements (Incl Components)	
- Low rise buildings (up to 4 floors)	12 -50 years
- High rise buildings (more than 4 floors)	40 - 80 years
- Warehouse / garage / storerooms	40 - 60 years

Assets under construction are ready for their intended use once a practical completion certificate or occupational certificate has been issued. At this point depreciation will commence.

1.8 Investment property (continued)

The useful life, depreciation method and residual value for investment property are reviewed annually. Any changes are recognised prospectively as changes in accounting estimates in surplus or deficit.

Impairment and reversals of impairment are recognised in surplus or deficit in the period in which the event occurs.

The PMTE is not allowed to dispose of or transfer immovable assets under its custodianship unless approved by the Minister of Public Works and Infrastructure or his delegated official, considering the restriction in the State and Land Disposal Act (Act No. 48 of 1961).

Items of investment property assets are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

Gains and losses on the derecognition of investment properties, including impairment and impairment reversals, are treated similarly to gains and losses for property, plant and equipment (refer to note 1.7).

1.9 Heritage assets

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

PMTE recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the entity, and the cost or fair value of the asset can be measured reliably.

Heritage assets are measured at cost.

With the exception of assets acquired through the transfer of functions under common control which is measured at deemed cost, where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Heritage assets assessed as having a dual function, of which a significant portion is held for the provision of accommodation or administrative purposes, are recognised and disclosed as property, plant and equipment.

The cost of an item of heritage assets is the purchase price and other costs directly attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Heritage assets that cannot be reliably measured are not recognised, but relevant information about these assets are disclosed in the notes, if applicable. Any costs incurred subsequently shall be recognised in surplus or deficit as incurred.

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

Heritage assets are not depreciated as they are regarded as having an indefinite useful life but are annually assessed for impairment. If any such indication exists, the PMTE estimates the recoverable amount or the recoverable service amount of the heritage asset.

An impairment loss is recognised where the carrying amount exceeds the recoverable service amount for non-cash generating assets. Impairment losses and reversals of impairment are recognised in surplus or deficit in the period when the event occurs.

PMTE derecognises heritage assets on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset is included in surplus or deficit when the item is derecognised.

1.10 Intangible assets

The PMTE recognises intangible asset when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity; and
- the cost or fair value of the asset can be measured reliably.

1.10 Intangible assets (continued)

Where the PMTE acquires the rights to use an asset, other than exercising its rights through legislation, it classifies these as intangible assets.

With the exception of assets acquired through the transfer of functions under common control which is measured at carrying amount, where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Intangible assets are initially recognised at cost and subsequently carried at cost less any accumulated amortisation and any impairment losses.

The amortisation period, the amortisation method and the residual values of the intangible assets with finite useful lives are reviewed annually. Intangible assets with indefinite useful lives are tested annually for impairment. Any changes are recognised as a change in accounting estimate in surplus or deficit.

Amortisation is recognised in surplus or deficit on a straight-line basis over the estimated useful lives of the intangible assets, unless such useful lives are indefinite. Amortisation commences on the asset when they are in the condition necessary for them to be capable of operating in a manner intended by management.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Useful life
Computer software	1 - 5 years

Items of intangible assets are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an intangible assets is included in surplus or deficit when the asset is derecognised.

Impairments and reversals of impairments are recognised in surplus or deficit in the period that the event occurs. Losses or gains on impairments and impairment reversals are treated similarly to gains and losses for property, plant and equipment (refer to note 1.7).

1.11 Payables from exchange transactions

The PMTE recognises payables from exchange transactions where liabilities result from counter performance by respective parties as a result of exchange transactions.

Payables from exchange transactions are initially measured at fair value. Where the outflow is expected to be cash or another financial asset, the payable is classified as a financial liability.

The PMTE recognises in payables an amount for accruals where an estimate is made of the amounts due for goods or services that have been received or supplied, but an invoice or formal request for payment has not been received at the reporting date as well as outstanding invoices.

1.12 Employee benefits

Short-term employee benefits

The PMTE recognises an undiscounted amount of short-term benefits due to employees in exchange for the rendering of services by employees as follows:

- As a liability in cases where the amounts have not yet been paid.
- Where the amount paid exceeds the undiscounted amount of the benefits due, the PMTE recognises the excess as an asset to the extent that the overpayment will lead to a reduction of future payments or a cash refund.
- As an expense, unless the PMTE uses the services of employees in the construction of an asset and the benefits received meet the recognition criteria of an asset, at which stage it is included as part of the cost of the related property, plant and equipment, investment property or intangible asset item.

Leave benefits

1.12 Employee benefits (continued)

The PMTE recognises the expected cost of short-term employee benefits in surplus or deficit, in the form of compensated absences (paid leave) when the employees render services that increase their entitlement to leave benefits.

The expected cost of accumulating leave benefits is measured as the additional amount that the PMTE expects to incur as a result of the unused entitlement that has accumulated at the reporting date.

Performance and service bonuses

The PMTE recognises the expected cost of performance or service bonus payments where there is a present legal or constructive obligation to make these payments as a result of past events and a reliable estimate of the obligation can be made. A liability for service bonus is accrued on a proportionate basis as services are rendered. A liability for performance bonus, which is based on the employee's performance in the applicable year, is raised on the estimated amount payable in terms of the incentive schemes. The PMTE considers the present obligation to exist when it has no realistic alternative but to make the payments related to performance bonuses.

Retirement and medical benefits

All permanent employees are members of the Government Employees Pension Fund (GEPF), which is a defined benefit plan. Employees are contributing 7.5% of their pensionable salary towards the fund on a monthly basis. PMTE contributes a further 13% to the fund on behalf of the employees. Obligations are limited to the contributions made and any shortfall in the GEPF is made good by the State, therefore the PMTE accounts for the fund as a defined contribution plan. Payments are charged as an expense to employee cost in surplus or deficit in the same year as the related services is provided.

Defined benefit plans

For defined benefit plans the cost of providing the benefits is determined using the projected

credit method. Actuarial valuations are conducted on an annual basis by independent actuaries

separately for each plan.

Consideration is given to any event that could impact the funds up to end of the reporting period where the interim valuation is performed at an earlier date.

Past service costs are recognised immediately to the extent that the benefits are already vested, and are otherwise amortised on a straight line basis over the average period until the amended benefits become vested.

To the extent that, at the beginning of the financial period, any cumulative unrecognised actuarial gain or loss exceeds ten percent of the greater of the present value of the projected benefit obligation and the fair value of the plan assets (the corridor), that portion is recognised in surplus or deficit over the expected average remaining service lives of participating employees. Actuarial gains or losses within the corridor are not recognised.

Gains or losses on the curtailment or settlement of a defined benefit plan is recognised when the entity is demonstrably committed to curtailment or settlement.

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In surplus or deficit, the expense relating to a defined benefit plan is presented as the net of the amount recognised for a reimbursement.

The amount recognised in the statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognised actuarial gains and losses and unrecognised past service costs, and reduces by the fair value of plan assets.

Any asset is limited to unrecognised actuarial losses and past service costs, plus the present value of available refunds and reduction in future contributions to the plan.

Long service awards

The PMTE recognises the expected cost of short-term employee benefits in surplus or deficit, in the form of long service awards, when the employees render services for a period that entitles them to long service award benefits as prescribed by DPSA policies.

1.13 Retention liabilities

A retention liability is recognised as a financial liability where monies due to a contractor are withheld for a set period of time during which the PMTE has an enforceable right to have defects remedied by the contractor. The measurement of the retention liability is the same as payables from exchange transactions which have been classified as financial liabilities. The liability is derecognised when the liability is settled or when the contractor defaults and is not entitled to settlement.

1.14 Provisions and contingencies

Provisions are recognised when:

- the entity has a present obligation as a result of a past event;
- 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 can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date, discounted to present value where the time value of money is expected to be material.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Provisions where the timing of the outflow is uncertain is classified as current liabilities.

Contingent assets are disclosed where the PMTE has a probable inflow of resources but the inflow did not meet the recognition criteria of an asset. Contingent liabilities are disclosed where a liability is subject to an uncertain event or the outflow is only assessed to be possible.

Contingent assets and contingent liabilities have been based on the best estimate available at the time of preparing the financial statements.

Contingent liabilities relating to litigations have been based on the assessment of the estimated claim against the PMTE as at the end of the reporting period. Contingent liabilities on retentions, leases, unscheduled maintenance and municipal rates and services are based on management's calculations of the possible inflows/outflows expected to be settled.

1.15 Reserves

The PMTE's reserves are made up of accumulated surplus.

Accumulated surplus is mainly built up to ensure adequate rehabilitation and maintenance of state-owned infrastructure and future infrastructure development.

1.16 Statutory receivables and payables Classification, recognition and measurement

Statutory receivables and payables arise from the right to receive cash or make payments in terms of legislative requirements. The PMTE will recognise receivables when it obtains the right to receive assets in terms of legislation, at the amount determined in the legislation (i.e. transaction price), which is the fair value at initial recognition. Thereafter the receivable will be assessed for impairment.

Payables arising from legislative requirements are measured at the amount determined in legislation

(i.e. transaction price). Statutory receivables and payables are not discounted.

Impairment of receivables measured at cost

At each end of the reporting period, the PMTE assesses all receivables to determine whether there is objective evidence that the asset or group of assets have been impaired. The inability to redeem amounts due based on the payment history is considered to be indicators of impairment.

If there is objective evidence that an impairment loss on receivables has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows, excluding future credit losses not yet incurred. Impairment loss on receivables is impaired directly to the receivables. Receivables at cost are discounted at a risk free rate adjusted for the risk associated with the debt. Impairment losses are recognised in surplus or deficit as expenses.

Impairment losses are reversed when an increase in the receivable's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the financial asset at the date that the impairment is reversed does not exceed the carrying amount that would have been recognised had the impairment not been recognised. The amount of the reversal is recognised in surplus or deficit.

1.17 Financial instruments

Definition: A past due receivable is any trade receivable where a customer has failed to make a payment when contractually due and which has not been impaired. Past due does not mean that the customer will never pay.

- In preparing the age analyses required, an entity used its judgement to determine an appropriate number of time bands as follows

1. One month past due
2. Two months past due
3. Three months to three years Over three years past due

- To determine the amounts that are not impaired for the required discloser ,the same principle for assessing the impairment for each individual financial asset was used where the recovery rate of the previous financial year was applied against each of the time bands indicated above.

- The present value of each debtor as per each time band was determined and multiplied by the recovery rate of the previous year..

Classification, recognition and measurement

The PMTE recognises a financial asset or a financial liability when it becomes a party to the contractual arrangement in the instrument.

The PMTE recognises financial assets using trade date accounting.

The PMTE does not offset a financial asset and a financial liability unless a legally enforceable right to offset the recognised amounts currently exists and the PMTE intends to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.17 Financial instruments (continued)

Interest relating to a financial instrument or a component of a financial instrument is recognised as revenue or expense in surplus or deficit.

The PMTE's financial instruments consists only of cash and cash equivalents, including the bank overdraft and non-derivative instruments such as leases, receivables and payables with no or minimal transaction costs.

All financial instruments are initially measured at fair value and subsequently at amortised cost using the effective interest method, except for leases (refer to note 1.4).

Transaction costs in respect of financial instruments which are not at fair value through surplus or deficit are included in the initial measurement of the instrument.

Interest is charged on debt outstanding exceeding the normal credit terms at the rate applicable for debt owed to the State, except for debt owed by government institutions.

The effect of payment for short term receivables outstanding for longer than the 30 days is considered during the impairment assessment.

Impairment of assets

The PMTE assesses at the end of each reporting period whether there is any objective evidence that a financial or non- financial asset or group of assets are impaired.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred). Impairment loss on receivables is accounted for directly to the receivables. Financial assets at amortised cost are discounted to the original effective interest rate (i.e. the effective interest rate computed at initial recognition). The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly to the receivable. The reversal does not result in carrying amount of the financial assets that exceeds what the amortised cost would have been had the impairment not been recognised at the date of reversal. The amount of the reversal is recognised in surplus or deficit.

At the end of each reporting period the entity assesses all financial assets, other than those at fair value through surplus or deficit, to determine whether there is objective evidence that a financial asset or group of financial assets have been impaired.

Non-financial assets measured at cost:

Where the carrying amount of a non-financial asset exceeds its recoverable service amount, the asset is considered impaired and is written down to its recoverable amount. An impairment loss is recognised immediately in surplus or deficit. In assessing the value in use, the PMTE has adopted the depreciated replacement cost approach.

For further details regarding impairment of property, plant and equipment, investment property, heritage assets and intangible assets, refer to note 1.7.

1.17 Financial instruments (continued) Derecognition

Financial assets

PMTE derecognises financial assets using trade date accounting. The entity derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
  a) derecognise the asset; and
  b) recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

Financial liabilities

PMTE derecognises a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on *Revenue from Non-exchange Transactio*ns.

1.18 Revenue from exchange transactions

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Revenue earned from accommodation charges is classified as lease revenue (refer to note 1.4 for further details on recognition and measurement of lease revenue). Accommodation charges are measured based on:

- the cost of leasing in (in the case where property is leased in from the private sector);
- the budget devolution as agreed upon with the client departments (in the case of state

owned accommodation leased to client departments);

- approved accommodation charge in consultation with National Treasury for state accommodation; or
- the market related rental (in the case of state owned accommodation leased to the private sector and individuals).

Accommodation charges disclosed in the financial statements consists of:

- Leasehold inter-governmental, which refers to lease revenue earned from assets which are owned by the private sector, which is then sub-leased to client departments;
- Freehold inter-governmental, which refers to lease revenue from state owned assets leased to client departments; and
- Freehold private, which refers to lease revenue from state owned assets leased to the private sector and individuals

Revenue from construction contracts is classified as revenue from exchange transactions and recognised by reference to the stage of completion of the contract when the outcome of a construction contract can be estimated reliably. When the outcome of a construction contract cannot be estimated reliably, construction revenue is recognised to the extent of contract costs incurred that are likely to be recoverable in the period in which they are incurred. An expected loss on a contract is recognised immediately in the surplus or deficit in the period in which it was incurred. Refer to note 1.21 for further details.

Interest is recognised, in surplus or deficit, using the effective interest rate method. Interest is inter alia earned from advances provided on projects conducted by implementing agents and outstanding debt.

The PMTE pays for municipal services on behalf of the client departments and earns 5% management fee on the value of the invoice. The management fee earned is recognised as revenue from exchange transactions in the surplus or deficit. Any amounts owed or overpaid on the management fee is recognised either as receivable or payable from the exchange transactions as appropriate.

Other revenue from exchange transactions is recognised when it is probable that future economic benefits or service potential will flow to the entity and these benefits can be measured reliably. Revenue will be recognised in the surplus or deficit when it becomes due to the PMTE. Revenue is measured at the fair value of the consideration received or receivable, net of any trade discounts and volume rebate.

1.19 Revenue from non-exchange transactions

Non-exchange transactions are defined as transactions where the entity receives value from another entity without directly giving approximately equal value in exchange.

The PMTE recognises the inflow of resources from a non-exchange transaction as revenue when it controls the asset, except in cases where a liability or equity is recognised in respect of that inflow. These liabilities are classified as payable from non- exchange transactions until the conditions relating to the revenue has been satisfied. Revenue from non-exchange transactions is measured initially at fair value.

Transfer payments received from DPWI in order to fund operations and manage properties under the custodianship of DPWI, are referred to as augmentation and is classified as revenue from non-exchange transactions.

Revenue earned from freehold prestige accommodation charges is classified as lease revenue. Freehold prestige accommodation charges are recognised based on the reduced market related rental as per the ministerial handbook.

Where services are received in-kind and a reliable estimate can be made, the PMTE recognises the related revenue. In all other cases, the PMTE only discloses the nature of the transactions.

1.20 Expenditure

Expenditure is classified in accordance with the nature of the expenditure.

The PMTE recognises expenditure in surplus or deficit when a decrease in future economic benefits or service potential relates to a decrease in an asset or an increase in a liability, other than those relating to distributions to owners.

The PMTE recognises expenses immediately in surplus or deficit when no future economic benefits or service potential are expected or when and to the extent that, future economic benefits or service potential do not qualify or cease to qualify for recognition as an asset in the Statement of Financial Position.

The PMTE also recognises expenses in surplus or deficit in those cases when a liability is incurred without the recognition of an asset, for example, when a liability under a court ruling arises.

Interest expense is recognised as an expense in surplus or deficit in the period in which they are incurred, using the effective interest method.

1.21 Construction contracts and receivables

Expenditure incurred in respect of recoverable capital projects, where such project is executed on immovable assets which are not under our custodianship are classified as construction costs and recognised in the Statement of Financial Performance. An equivalent amount is then recognised in revenue on a full cost recovery basis and the related receivable is recognised when the amount becomes recoverable.

1.22 Impairment of cash-generating assets

Cash-generating assets are assets managed with the objective of generating a commercial return. An asset generates a commercial return when it is deployed in a manner consistent with that adopted by a profit-oriented entity.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset’s future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use. Useful life is either:

(a) the period of time over which an asset is expected to be used by the entity; or
(b) the number of production or similar units expected to be obtained from the asset by the entity.

Criteria developed by the entity to distinguish cash-generating assets from non-cash-generating assets are as follow:

1.23 Borrowing costs

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds. Borrowing costs are recognised as an expense in the period in which they are incurred.

1.24 Irregular, Fruitless and wasteful expenditure

Irregular, fruitless and wasteful expenditure, as defined by the PFMA, and material losses through criminal conduct is recognised as expenditure in the surplus or deficit according to the nature of the payment and disclosed separately in notes and 31. When an amount becomes recoverable, a receivable is recognised. Any receivables recognised as a result of irregular, fruitless and wasteful expenditure or material losses through criminal conduct, are subject to an annual impairment assessment.

1.25 Related parties

The PMTE is controlled through the DPWI at National Government level. Other than management and their close family, only parties within the national sphere of government and entities reporting to National Departments that are subject to common control, is considered related parties.

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions. Management include officials like the Minister, the Minister's advisor, members of the Executive Committee (EXCO), chairpersons of significant committees, head of units and regional managers. Where the remuneration of management is not accounted for by the PMTE (as included in note 35), the remuneration is not included in the disclosure. This includes the remuneration of the Chief Financial Officer, the Director-General and the Minister of Public Works and Infrastructure. Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, management in their dealings with the entity.

Only transactions with related parties not at arms' length or not in the ordinary course of business are disclosed in note 35. Movable assets that have not been transferred specifically to the PMTE are not recognised by the PMTE but are recorded by the DPWI.

1.26 Budget information

The PMTE presents a comparison of budget amounts and actual amounts as a separate additional financial statement. The approved and final budget amounts are prepared on a modified cash basis. The budget is prepared based on the nature of the revenue and the expenditure. The actual amounts (prepared on an accrual basis) are adjusted for basis differences for comparability purposes.

The PMTE budgets for revenue including the transfer payment received through the DPWI. The PMTE budget is part of the overall DPWI vote.

1.27 Commitments

Items are classified as commitments when the PMTE has committed itself to future transactions that will normally result in the outflow of cash. The current year's estimates are based on unrecognised capital and maintenance expenditure which has been approved and either contracted for or an order has been issued to the supplier relating to immovable assets.

See Notes: 7, 8, 9, 10 for additional disclosure. The PMTE also manages other projects on behalf of client departments which are not in respect of the PMTE's immovable assets. These agency commitments have been disclosed in note 33.

1.28 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

(a) those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
(b) those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The entity will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The entity will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.29 Going concern assumption

These annual financial statements have been prepared on the going concern basis. Refer to note 36.

1.30 Comparative figures

Comparative figures have been adjusted to correct errors identified in the current year but relating to prior years. The effect of the restatements are disclosed in note 35.

1.31 Deferred revenue

The PMTE recognises an amount for deferred revenue where the leasing revenue (accommodation charges - freehold inter- governmental) recognised from client departments is deferred until the project is ready for use and capitalised under immovable assets.

1.32 Transfer of functions between entities under common control

The transfer of functions from entities under common control are accounted for by the PMTE by recognising the assets acquired and liabilities assumed at the carrying amount measured in accordance with the Standards of GRAP. The difference between the assets and liabilities is recognised in accumulated surplus or deficit.

The PMTE acquired the following functions and the related assets and liabilities from the DPWI on 30 November 2013:

- Asset Investment Management
- Property Management
- Facilities Management
- Key Account Management
- Regional Finance Units

The transitional provisions for the recognition and measurement of this transfer expired on 31 March 2017.

The PMTE acquired the following functions and the related assets and liabilities from the DPWI on 30 March 2015:

- Inner City Regeneration
- Projects and Professional services
- Regional co-ordination
- Supply Chain Management
- Regional support and Regional Managers

The transitional provisions for the recognition and measurement of this transfer expired on 31 March 2018

1.32 Entity-wide disclosure

The PMTE Operates within all geographical provinces with South Africa through its 11 regional offices and head office.

Each Province has 1 Regional office each, except for Gauteng which has two physical regional offices plus head office

and the Eastern Cape which has 2 regional offices. The Standard on Segmental Reporting (GRAP 18) requires an entity to disclose, where information is available without incurring excessive costs of disclosure, specified information relating to those said geographical areas as follows:

(a) external revenues from non-exchange transactions and external revenues from exchange transactions attributed to the geographical areas in which it operates;
(b) total expenditure attributed to the geographical areas; and
(c) non-current assets2 other than financial instruments, deferred tax assets (where applicable), post-employment benefit assets, and rights arising under insurance contracts for the geographical areas.

The PMTE has assessed the availability of such information and the information is only available at geographical area in respect of expenditure. Within the expenditure attributed to each geographical area, where the expenditure is inextricably linked with an item of evenue or non-current assets where it is impracticable to allocate per geographical area, then such expenditure has been allocated to the head office. This includes Impairment losses, depreciation on immovable properties and straight lining of operating leases.

The costs to develop reports and interfaces to meet the remainder of the requirements of the entity-wide disclosure of GRAP 18 is deemed to be excessive.

2. Standards of GRAP issued but not yet effective

2.1 Standard and Interpretation effective and adopted in the current year

The PMTE has not early adopted standards and interpretations as there are no mandatory changes on the standard.

Standard/ Interpretation:

2.2 Standards and Interpretation issued, but not yet effective

The PMTE has not applied the standards below which have been approved but not yet effective. The adoption of this Standard is not expected to have an impact on the results of the PMTE, but may result in more disclosure than is currently provided in the financial statements.

Standard/ Interpretation:

- Amendments to GRAP 1	No effective date
- GRAP 103 on Heritage Asset (revised)	No effective date
- GRAP 104 on Financial Instrument (revised)	Effective on 1 April 2025

	2025	2024
	R'000	R'000

3. Receivables from exchange transactions

	2025 R'000	2024 R'000
Financial assets		
Accommodation debtors - leasehold inter-governmental	889 567	771 616
Accommodation debtors - freehold inter-governmental	418 043	278 606
Accommodation debtors - freehold private	27 096	39 048
Municipal services	684 594	1 133 754
Staff and Supplier debtors	105 754	101 627
Revenue accrual - recoverable leases	130 495	214 587
Revenue accrual - recoverable municipal services	487 266	503 893
Revenue accrual - recoverable projects	428 336	502 789
Municipal deposits	25 408	23 419
Implementing agents interest	26 087	39 452
Other receivables	4 004	2 287
Recoverable property rates *	-	-
	3 226 650	**3 611 078**
Non-financial assets		
Prepaid expenses - implementing agents	406 012	441 257
Prepaid expenses - leases	92 045	140 744
Prepaid expenses - other	37 449	25 776
Prepaid expenses - municipal services	102 443	111 695
Prepaid expenses - property rates	27 536	-
Creditors with debit balances	203 026	249 061
	868 511	**968 533**
	4 095 161	**4 579 611**

The R4.1 billion Receivables from exchange reflected above (2024: R4.6 billion) is the rand value after taking into account the impairment values of R12.9 billion (2024: R10.6 billion).

The applicable interest rate charged on outstanding receivables for the period is 11.00% (2024: 11,75%). Some staff debtors are interest free.

Revenue accruals relates to services rendered to our clients but not yet invoiced.

Included in the prepaid expenses are contractual advances to other government entities which are implementing agents of the PMTE. Interest earned on these advances is included in implementing agents under financial assets above at an average effective interest rate of 4.00**%** (2024: 3.70%).

*The gross amount for recoverable property rates amounts to R95 million (2024: R77 million). The full amount is impaired as it relates to client departments and third parties and is unlikely to be recovered.

The following are implementing agents that make-up the Prepaid expense-implementing agents:

Implementing Agent - Assets	**2025**	**2024**
COEGA	66 189	75 153
DBSA	286 314	302 046
GTAC	15 000	23 642
IDT	38 509	40 416
	406 012	**441 257**

	2025	2024
	R'000	R'000

3. Receivables from exchange transactions (continued)

The PMTE has signed Memorandums of Understanding with the following implementing agents:

- COEGA
- DBSA
- IDT
- GTAC

In all these MOU's, the PMTE is deemed to be the principal and the primary objective of these agreements are such that the implementing agents will execute both Capex and Opex construction projects on behalf of the PMTE. Except for GTAC MOU, the implementing agents are entitled to receive management fees. In a few limited projects, the underlying project was not construction in nature, but more of a consultative and service in nature.

As part of the respective MOU's the COEGA, IDT and DBSA have separate bank accounts in which all PMTE projects are managed. The PMTE is then entitled to all the interest earned in these ring-fenced bank accounts. Any changes to the scope or other forms of variation at project level are administered in line with the applicable PMTE Variation Order Committee process, any amendments to the MOU's must be approved in writing by both parties and no such amendments occurred during the 2024/25 financial year.

An amount of R4.2 million was earned by implementing agents for management fees for the 2024/25 financial year. No principal/agents arrangements were terminated for the 2024/25 financial year.

Receivables past due but not impaired

Trade and other receivables which are less than 30 days past due are not considered to be impaired. At 31 March 2025, R1.9 billion (2024: R2 billion) were past due but not impaired.

	-	-
	2025	**2024**
1 month past due	449 807	949 039
2 months past due	1 349 980	994 762
3 months to 3 years past due	3 217	4 798
Over 3 years past due	100 881	94 547
	1 903 885	**2 043 146**

Reconciliation of provision for impairment of trade and other receivables

Opening balance	10 641 220	9 284 695
Provision for impairment raised during the year	2 354 970	1 464 824
Reversal of impairment	(27 074)	(108 299)
Closing balance	**12 969 116**	**10 641 220**

Individually significant receivables that are impaired

Individually significant receivables are identified if the specific receivable's outstanding balance exceeds 5% of the total outstanding balance for the class of receivable. The factors to identify impairment are similar to the group assessment for impairment. The analysis below shows the total accumulated impairment from individually significant receivables, as a percentage of the gross receivable balance per class of receivable:

	2025	2024
	%	%
Accommodation debtors - freehold inter-governmental	83	91
Accommodation debtors - freehold private	74	79
Municipal services	85	85
Recoverable property rates	100	100

	2025	2024
	R'000	R'000

4. Receivables from non-exchange transactions

Accommodation debtors - freehold prestige	1 476	746

Reconciliation of provision for impairment of receivables from non-exchange transactions

Opening balance	9 348	8 448
Provision for impairment	952	900
Closing balance	**10 300**	**9 348**

The R1.5 million Receivables from non exchange reflected above (2024: R746 thousand) is the rand value after taking into account the impairment values of R10.3 million (2024: R9.3 million).

Certain properties are leased to prestige clients. According to the ministerial handbook, prestige officials receive one state owned residence at no charge. If available, prestige officials may occupy a second state owned residence which is charged at a reduced rental as prescribed.

5. Operating lease asset/liabilities

	Note	2025	2024
		R'000	R'000
Current assets	5.1	362 268	425 886
Current liabilities (PMTE as lessee)	5.5	(366 827)	(422 736)

5.1 Total operating lease asset - PMTE as lessor

Leasehold inter-governmental	357 742	416 722
Freehold private	4 526	4 792
Freehold inter-governmental	-	4 372
	362 268	**425 886**

5.2 Total minimum lease receipts - PMTE as Lessor : Leasehold Inter-governmental

Within one year	2 774 097	3 021 680
In second to fifth year inclusive	3 619 353	4 501 762
Later than five years	389 211	292 929
	6 782 661	**7 816 371**

5.3 Total minimum lease receipts - PMTE as lessor : Freehold private

Within one year	9 976	7 879
In second year to fifth year inclusive	19 510	13 435
Later than five years	4 690	5 977
	34 176	**27 291**

5.4 Total minimum lease receipts - PMTE as lessor : Freehold Inter-governmental

Within one year	469 760	324 262
In second to fifth year inclusive	1 879 150	1 341 332
Later than five years	428 057	619 792
	2 776 967	**2 285 386**

	2025	2024
	R'000	R'000

5. Operating lease asset/liabilities (continued)

Leasehold inter-governmental

Based on the nature of leases that are running on a month-to-month and open-ended basis, the related leasehold commitment, is based on the contractually agreed upon notice period. The said amounts have been included in the “within one year” ageing bracket.The inter-governmental operating leases are sub-lease agreements with various client departments and are on the same terms as those applicable to the lease agreements entered into with the landlords on leasehold property. As a result of the month-to-month and open-ended leasehold commitments included in note below, the equal and opposite amount is included in the PMTE leases above.

Freehold private

The disclosure of the minimum lease payments above relates to state owned properties that are leased out to private parties (accommodation debtor - freehold private).

Freehold accommodation charges

Lease commitments on freehold accomodation charges is based on minimum rental over the lease period where the escalation rate over the period is not indicated in the lease agreement.

	2025 R'000	2024 R'000

5. Operating lease asset/liabilities (continued)

5.5 Total operating lease liabilities - PMTE as lessee		
Operating lease liabilities - leasehold inter-governmental	**366 827**	**422 736**

Total minimum lease payments - PMTE as lessee		
Within one year	2 847 115	3 106 340
In second to fifth year inclusive	3 760 166	4 693 604
Later than five years	454 532	375 525
	7 061 813	**8 175 469**

The PMTE has 2 078 leases of which 1 602 have not expired included in the current private leasing portfolio (2024: 2 134 leases of which 1 806 have not expired). The leasehold commitments reflected above have been determined based on the terms and conditions of the relevant lease agreements. Based on the nature of leases that are running on a month-to-month and open-ended basis, the related leasehold commitment, at financial reporting date, is determined taking into account the contractually agreed upon notice period. These amounts have been included as part of the “within one year” ageing bracket.

6. Cash and cash equivalents/Bank overdraft

	2025 R'000	2024 R'000
Cash and cash equivalents consist of:		
Cash on hand	251	267
Bank balance	1 634	7 820
Cash and cash equivalents (current asset)	1 885	8 087
Bank overdraft (current liability)	(4 377 816)	(3 741 199)
	(4 375 931)	**(3 733 112)**

The bank balance held in the bank is with ABSA Limited. The interest rate on the bank balance is variable. The average effective interest rate on short term bank deposits is 6.44% (2024 : 6.71%).

The bank overdraft is a Pay-Master-General account directly linked to National Treasury and carries interest at 0%.

7. Property, plant and equipment

	2025			Restated 2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
	R'000	R'000	R'000	R'000	R'000	R'000
Land	30 974 508	-	30 974 508	30 980 182	-	30 980 182
Buildings and improvements	119 825 438	(30 894 478)	88 930 960	117 683 897	(27 790 287)	89 893 610
Furniture and office equipment	123 266	(68 808)	54 458	115 845	(62 270)	53 575
Computer equipment	327 187	(244 641)	82 546	313 353	(209 166)	104 187
Other machinery and equipment	98 158	(57 374)	40 784	91 108	(47 363)	43 745
Total	**151 348 557**	**(31 265 301)**	**120 083 256**	**149 184 385**	**(28 109 086)**	**121 075 299**

7. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Disposals	Transfers in	Transfers out	Adjustment to opening balance/Other movements	Depreciation	Impairment loss	Total
	R'000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Land	30 980 182	8 598	(32 814)	18 542	-	-	-	-	30 974 508
Buildings and improvements	89 893 610	2 141 646	-	-	-	(106)	(3 057 168)	(47 022)	88 930 960
Furniture and office equipment	53 575	18 530	(158)	450	(4 853)	(545)	(12 084)	(457)	54 458
Computer equipment	104 187	16 234	(243)	1 288	(1 256)	(301)	(36 310)	(1 053)	82 546
Other machinery and equipment	43 745	6 770	(22)	433	(62)	(166)	(9 049)	(865)	40 784
	121 075 299	**2 191 778**	**(33 237)**	**20 713**	**(6 171)**	**(1 118)**	**(3 114 611)**	**(49 397)**	**120 083 256**

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Transfers in	Transfers out	Adjustment to opening balance/Other movements	Depreciation	Impairment loss	Total
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Land	30 920 418	38 514	(33 971)	55 221	-	-	-	-	30 980 182
Buildings and improvements	90 851 098	2 304 767	-	-	-	-	(2 943 526)	(318 729)	89 893 610

Furniture and office equipment	52 869	7 796	(773)	2 483	(1 280)	(799)	(6 721)	-	53 575
Computer equipment	112 169	27 835	(2 350)	10 997	(5 695)	(39)	(38 730)	-	104 187
Other machinery and equipment	56 666	3 978	(999)	3 596	(9 448)	(1 695)	(8 353)	-	43 745
	121 993 220	**2 382 890**	**(38 093)**	**72 297**	**(16 423)**	**(2 533)**	**(2 997 330)**	**(318 729)**	**121 075 299**

7. Property, plant and equipment (continued)

Assets under construction

Additional disclosure relating to assets under construction is included in the reconciliation above	Carrying value of projects significantly delayed R'000	Carrying value of projects R'000
2025		
Building and improvements	3 300 393	9 773 396
2024		
Building and improvements	2 962 349	9 230 049

Reasons for construction projects significantly delayed are mainly due to poor contractor performance. Projects that have surpassed the practical completion stage and are at their final completion stage are not regarded as significantly delayed.

Assets subject to finance lease (Net carrying amount)	2025 R'000	2024 R'000
Furniture and office equipment	26 055	23 122

Refer to note 14 for further details regarding the commitments for finance leased assets

Change in Accounting Estimate

The useful lives of assets are reviewed at each financial year-end and, if expectations differ from previous estimates, the changes are accounted for as a change in an accounting estimate. The effect of the change in accounting estimate is disclosed for the current period only and no disclosures are made for future periods. The impact of the change in estimate is an increase in depreciation expense for the current year of R19,7 million

There is no intention to dispose of the PMTE buildings and improvements. It is expected that the assets will be recovered through use for the foreseeable future. This makes it impracticable to calculate the future impact on depreciation.

Notes to the Annual Financial Statements

Contractual commitments for acquisition and maintenance of Property, plant and equipment	Committed for acquisition (CAPEX)	Committed for maintenance (OPEX)	Total Commitment
2025			
Building and Improvements	4 348 126	1 500 961	5 849 087
2024			
Building and Improvements	4 910 004	2 323 096	7 233 100

8. Investment property

	2025			Restated 2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
	R '000	R '000	R '000	R '000	R '000	R '000
Land	246 635	-	246 635	246 635	-	246 635
Building and improvements	157 620	(51 289)	106 331	157 979	(46 191)	111 788
Total	**404 255**	**(51 289)**	**352 966**	**404 614**	**(46 191)**	**358 423**

Reconciliation of investment property - 2025

	Opening balance	Additions	Disposals	Other Changes, movements	Impairments	Depreciation	Total
	R '000	R '000	R '000	R '000		R '000	R '000
Land	246 635	-	-	-	-	-	246 635
Building and improvements	111 788	-	-	(359)	-	(5 098)	106 331
	358 423	**-**	**-**	**(359)**	**-**	**(5 098)**	**352 966**

Reconciliation of investment property - 2024

	Opening balance	Additions	Disposals	Impairments	Depreciation	Total
	R '000	R '000	R '000		R '000	R '000
Land	245 840	952	(157)		-	246 635
Building and improvements	112 540	4 263	-		(5 015)	111 788
	358 380	**5 215**	**(157)**		**(5 015)**	**358 423**

Amounts recognised in Statement of Financial Performance relating to Investment Property

Notes to the Annual Financial Statements

	2025			2024		
	Revenue generating	Non-revenue generating	Total	Revenue generating	Non-revenue generating	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Cleaning and gardening	-	-	-	-	-	-
Security	419	4 767	5 186	199	4 911	5 110
Property rates	2 925	907	3 832	2 316	1 112	3 428
Municipal services	2 097	1 416	3 513	1 818	1 393	3 211
Maintenance	537	-	537	580	65	645
Depreciation	2 073	3 025	5 098	2 236	2 779	5 015
Total direct expenses	8 051	10 115	18 166	7 149	10 260	17 409
Revenue from exchange (Freehold private)	85 673	-	85 673	85 721	-	85 721
Total surplus/(deficit) on investment property	**77 622**	**(10 115)**	**67 507**	**78 572**	**(10 260)**	**68 312**

8. Investment property (continued)

Change in Accounting Estimate

The useful lives of assets are reviewed at each financial year-end and, if expectations differ from previous estimates, the changes are accounted for as a change in an accounting estimate. The effect of the change in accounting estimate is disclosed for the current period only and no disclosures are made for future periods. The impact of the change in estimate is an increase in depreciation expense for the year 2025 by R19 thousand.

There is no intention to dispose of the PMTE buildings and improvements. It is expected that the assets will be recovered through use for the foreseeable future. This makes it impracticable to calculate the future impact on depreciation.

9. Heritage assets

	2025			Restated 2024		
	Cost / Valuation R '000	Accumulated impairment losses R '000	Carrying value R '000	Cost / Valuation R '000	Accumulated impairment losses R '000	Carrying value R '000
Land	27 710 469	-	27 710 469	27 734 824	-	27 734 824
Building and improvements	3 216 999	(25 339)	3 191 660	3 165 404	(25 210)	3 140 194
Collections of rare books, manuscripts and records	8	-	8	-	-	-
Total	**30 927 476**	**(25 339)**	**30 902 137**	**30 900 228**	**(25 210)**	**30 875 018**

Reconciliation of heritage assets - 2025	Opening balance R '000	Additions R '000	Disposals R '000	Transfers received R '000	Impairment losses recognised R '000	Total R '000
Land	27 734 824	2	(25 824)	1 467	-	27 710 469
Building and improvements	3 140 194	51 594	-	-	(128)	3 191 660
Collections of rare books, manuscripts and records	-	8	-	-	-	8
	30 875 018	**51 604**	**(25 824)**	**1 467**	**(128)**	**30 902 137**

Reconciliation of heritage assets - 2024

	Opening balance R '000	Additions R '000	Disposals R '000	Transfers received R '000	Total R '000
Land	27 729 870	-	(40)	4 994	27 734 824
Building and improvements	3 075 986	64 208	-	-	3 140 194
	30 805 856	**64 208**	**(40)**	**4 994**	**30 875 018**

Additional disclosure relating to assets under construction is included in the reconciliation above	Carrying value of projects significantly delayed R'000	Carrying value of projects R'000
2025		
Building and improvements	246 881	519 533
2024		
Building and improvements	-	515 162

Contractual commitments for acquisition and maintenance of heritage assets

	Committed for acquisition (CAPEX) R'000	Committed for maintenance (OPEX) R'000	Total commitment R'000
2025			
Buildings and improvements	155 624	-	155 624
2024			
Buildings and improvements	86 062	-	86 062

10. Intangible assets

	2025			Restated 2024		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
	R '000	R '000	R '000	R '000	R '000	R '000
Computer software	178 665	(94 220)	84 445	118 046	(48 346)	69 700

Reconciliation of intangible assets - 2025

	Opening balance	Additions	Disposals	Transfers in	Transfers out	Adjustments to opening balance	Amortisation	Total
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Computer software	69 700	71 287	(42)	159	(3 010)	1 181	(54 830)	84 445

Reconciliation of intangible assets - 2024

	Opening balance	Additions	Transfers in	Transfers out	Adjustments	Adjustment to opening balance	Amortisation	Total
	R '000	R '000	R '000	R '000	R '000		R '000	R '000
Computer software	55 705	33 089	7 836	(60)	-	(142)	(26 728)	69 700

Notes to the Annual Financial Statements

Additional disclosure relating to assets under development included in the reconciliation above	Carrying value of projects significantly delayed R'000	Carrying value of projects R'000
2025		
Computer software	29 233	29 233
2024		
Computer software	29 233	29 233

Reason for the project significantly delayed is due to poor contractor performance relating to the Archibus software development project.

Contractual commitments for acquisition and maintenance of intangible assets	Committed for acquisition (CAPEX) R'000	Committed for maintenance (OPEX) R'000	Total commitment R'000
2025			
Computer software	115 867	21 719	137 586
2024			
Computer software	70 217	14 124	84 341

	2025	Restated 2024
	R'000	R'000

11. Deferred revenue

	2025	2024
Current liability	3 452 294	3 260 827
Non-Current liability	2 153 856	2 577 726
	5 606 150	**5 838 553**

This relates to recoverable capital claims for projects that are under construction which will be deferred until the project is complete.

	2025	2024
Opening Balance	5 838 553	6 524 665
Plus: Revenue deferred during the year	980 057	1 094 596
Less: Revenue recognised during the year	(1 212 460)	(1 780 708)
	5 606 150	**5 838 553**

12. Payables from exchange transactions

Financial liabilities

	2025	2024
Accrued expenses - CAPEX projects*	899 875	826 431
Accrued expenses - Cleaning and gardening	32 858	25 305
Accrued expenses - Leases	200 244	82 719
Accrued expenses - OPEX projects*	319 088	265 910
Accrued expenses - Municipal services	706 723	706 558
Accrued expenses - Other	491 265	286 707
Accrued expenses - Property rates	526 258	635 211
Accrued expenses - Maintenance*	304 625	419 292
Accrued expenses - Security	27 662	22 480
Total accrued expenses	3 508 598	3 270 613

Unallocated deposits	4 035	6 971
Trade payables	3 373	322
Deposits received	18	54
Contract guarantees	49	190
	3 516 073	**3 278 150**

Non-financial liabilities		
Revenue claimed in advance - leases	56 309	153 782
Income received in advance - other services	103 357	149 066
Debtors with credit balances	792 665	852 402
Other payables	3 568	8 329
	955 899	1 163 579
	4 471 972	**4 441 729**

*Included in accrual amount of Capex project, Opex project and Maintenance are the amounts that relates to the following Implementing Agents.

Implementing Agent		
COEGA	107 169	124 882
DBSA	187 038	177 961
GTAC	36 999	-
IDT	65 621	56 539
	396 827	**359 382**

	2025	Restated 2024
	R'000	R'000

13. Retention liabilities

Non-current liabilities	15 802	27 775
Current liabilities	446 955	326 629
	462 757	**354 404**

Retention relates to a percentage of funds withheld by the Department as security to ensure that construction projects are completed

14. Finance lease obligation

Minimum lease payments due		
- within one year	7 779	6 188
- in second to fifth year inclusive	5 284	4 706
	13 063	10 894
Less: future finance charges	(1 288)	(871)
Present value of minimum lease payments	**11 775**	**10 023**
Present value of minimum lease payments due		
- within one year	6 900	5 562
- in second to fifth year inclusive	4 875	4 461
	11 775	**10 023**
Non-current liabilities	4 875	4 461
Current liabilities	6 900	5 562
	11 775	**10 023**

The finance lease liability relates to furniture and office equipment, whereby the PMTE takes ownership of the asset upon completion of the contract. These contracts are typically for a period of 36 months. These contracts have no escalation clauses.

15. Employee benefit obligations

Reconciliation - 2025	Opening balance	Utilised during the year	(Over)/under provided	Additions	Total
	R'000	R'000	R'000	R'000	R'000
Leave	138 260	(114 230)	(24 029)	124 160	124 161
Service bonus	52 774	(41 707)	(11 067)	55 029	55 029
Long service awards	4 558	(1 689)	(2 869)	5 269	5 269
	195 592	**(157 626)**	**(37 965)**	**184 458**	**184 459**

Reconciliation - 2024	Opening balance	Utilised during the year	(Over)/under provided	Additions	Total
	R'000	R'000	R'000	R'000	R'000
Leave	132 359	(106 170)	(26 189)	138 260	138 260
Service bonus	47 926	(57 236)	9 310	52 774	52 774
Long service awards	5 097	(2 674)	(2 423)	4 558	4 558
	185 382	**(166 080)**	**(19 302)**	**195 592**	**195 592**

16. Provisions

	Opening Balance	Additions	Utilised during the year	Reversed during the year	Change in estimate	Total
Reconciliation of provisions - 2025						
Maintenance	8 708	29 036	(637)	(3 577)	4 356	37 886
Legal proceedings	99 938	15 440	(77 167)	-	-	38 211
	108 646	**44 476**	**(77 804)**	**(3 577)**	**4 356**	**76 097**

	Opening Balance	Additions	Utilised during the year	Reversed during the year	Change in estimate	Total
Reconciliation of provisions - 2024						
Maintenance	324 009	7 864	(73 951)	(249 260)	46	8 708
Legal proceedings	56 665	83 915	(7 042)	(33 600)	-	99 938
	380 674	**91 779**	**(80 993)**	**(282 860)**	**46**	**108 646**

Maintenance

The PMTE appoints contractors to perform repair and maintenance services for its properties. The amount above has been classified as a provision as there is a greater element of uncertainty regarding the amounts and the timing of the work performed. Management is in the process of engaging with contractors to provide all required documentation to validate invoices. Management has developed a model to estimate the obligation for the work performed by contractors (refer to 1.1.6).

The change in estimate relates mainly to the change in the estimated cost to adjust for inflation, as well as a change in the finalisation ratio to account for the possibility that calls can be cancelled after year end.

Legal proceedings

Provisions for legal proceedings consist of claims and litigations for services that have been delivered without an indication of the timing of settlement or the amount of settlement. The provision is based on the amounts confirmed by the legal advisors of the PMTE.

17. Revenue from exchange transactions

	2025 R'000	2024 R'000
Accommodation charges - Leasehold Inter-governmental	5 803 939	5 614 879

Property Management Trading Entity

Accommodation charges - Freehold Inter-governmental	5 951 090	6 758 128
Accommodation charges - Freehold Private	85 673	85 721
Management fees on municipal services	182 755	180 450
Reversal of impairment loss for receivables from exchange transactions	27 074	108 299
Sundry revenue	45 398	14 929
Interest revenue	1 051 378	1 013 946
Recoveries	1 474	5 251
	13 148 781	**13 781 603**

The amount included in revenue arising from exchange transactions is as follows:

Interest revenue consists of:

Interest from receivables	1 040 747	999 249
Interest on bank balances	25	13
Interest on prepayment	10 606	14 684
	1 051 378	**1 013 946**

	2025 R'000	2024 R'000

18. Revenue from non-exchange transactions

Augmentation	4 288 092	4 276 211
Goods and service in-kind	5 306	22 943
Donations revenue*	20 008	61 167
Accommodation charges - Prestige	1 776	1 091
	4 315 182	**4 361 412**

*Donations revenue consists of land that was obtained via section 42 of the PFMA transfers and properties that have been vested to the department.

19. Construction revenue and expenses

Amount recognised in surplus		
Construction Revenue	22 606	50 534
Construction Expenses	(22 606)	(50 534)
Reconciliation		
Amount paid	21 112	25 207
Capex Accrual Movement	(2 091)	28 977
Capex Retentions Movement	(53)	(4 250)
Implementing Agents Accruals Movement	-	657
Implementing Agents Prepayment Movement	3 638	(57)
	22 606	**50 534**

20. Depreciation, amortisation and impairment of assets

Property, plant and equipment	3 164 008	3 316 059
Investment property	5 098	5 015
Intangible assets	54 830	26 728
Heritage assets	128	-
	3 224 065	**3 347 803**

21. Employee related costs

Basic salary and non-pensionable salary	1 645 305	1 579 026
Housing allowances	78 963	73 897
Medical aid contributions	149 479	133 242
Overtime	64 987	66 623
Pension fund contributions	177 075	167 434
Performance bonus	450	967
Service bonus	108 561	105 530
	2 224 820	**2 126 719**

22. Impairment loss on receivables

Receivables from exchange transactions	2 354 969	1 464 823
Receivables from non-exchange transactions	952	900
	2 355 921	**1 465 723**

	2025 R'000	2024 R'000

23. Interest expense

	2025 R'000	2024 R'000
Interest on overdue accounts	1 135	9
Interest on finance leases	1 248	971
	2 383	**980**

24. Loss on disposal/transfer of assets

	2025 R'000	2024 R'000
Property, plant and equipment	39 408	54 515
Investment Property	-	157
Intangible Assets	3 052	60
Heritage Assets	25 823	40
	68 283	**54 772**

The loss on disposal/transfer of immovable property, plant and equipment, investment property and heritage assets relates to the disposal of land parcels for land restitution, transfers to other National and Provincial Custodians via S42 of the PFMA, as well as removal of land parcels that have been consolidated to other land parcels or renumbered. No cash proceeds are received from these disposals/transfers, including for movable assets.

25. Operating lease

	2025 R'000	2024 R'000
Building and improvements	5 878 559	5 598 243
Fleet vehicles	(271)	38 993
Rent on land	37 670	37 635
	5 915 958	**5 674 871**

26. Property maintenance

Property maintenance expense relates to the following asset categories:

	2025 R'000	2024 R'000
Property, plant and equipment	2 074 863	2 245 738
Investment property	537	645
Heritage assets	25 569	25 642

Leased properties	11 094	13 309
	2 112 063	**2 285 334**

The property maintenance expense constitutes transactions with contractors for services rendered relating to repairs and maintenance on properties.

	2025 R'000	2024 R'000

27. Sundry operating expenses

Advertising	11 692	5 077
Auditors remuneration	39 109	28 310
Bad debts written off	1 421	808
Bank charges	414	383
Bursaries	17 960	20 968
Claims against the state	6 334	4 710
Cleaning and gardening	400 546	386 906
Computer software related expenses	23 968	28 251
Communication expenses	11 641	12 037
Consulting fees	181 912	135 195
Consumables	58 538	52 349
Fleet expenses	1 404	5 962
Other losses incurred	56 830	80 992
Municipal service expenses	439 037	465 214
Other contractors	10 705	8 572
Other goods and services	23 867	25 603
Retirement awards	697	1 589
Security	295 083	264 939
Travel and subsistence	146 033	142 412
	1 727 191	**1 670 277**

28. Cash generated from operations

Surplus (Deficit)	(1 954 148)	(390 532)
Adjustments for:		
Depreciation, impairment and amortisation	3 224 065	3 347 803
Loss on disposal/transfer of PPE	39 408	54 515

Loss on disposal/transfer of Investment property	-	157
Loss on disposal/transfer of Heritage assets	25 823	40
Loss on disposal of Intangible assets	3 052	60
Interest expense	2 383	980
Interest revenue	(1 051 378)	(1 013 946)
Impairment on receivables	2 332 982	1 465 723
Bad debt written off	1 421	808
Impairment adjustment	-	-
Reversal of impairment loss on receivables	(27 110)	(108 299)
Service in-kind revenue	(5 306)	(22 943)
Losses incurred	56 830	80 998
Donations received	(20 008)	(61 167)
Changes in working capital:		
Receivables from exchange transactions	(829 889)	(2 058 315)
Receivables from non-exchange transactions	23 632	83 446
Operating lease asset	63 618	45 981
Operating lease liability	(55 909)	(36 124)
Payables from exchange transactions	164 650	174 508
Provisions	(22 148)	(277 312)
Employee benefit obligations	(11 133)	10 210
Retention liabilities	132 299	(35 424)
Deferred revenue	(587 943)	(686 112)
Finance lease liability	924	1 632
	1 506 115	**576 687**

29. Budget differences

Reconciliation of budget to actual

Net cash flows from operating activities	1 506 115
Net cash flows from investing activities	(2 149 461)
Net cash flows from financing activities	527
	(642 819)
Cash deficit	(642 819)
Deficit for the year	(1 954 148)
Basis difference	**(2 596 967)**

The difference between the cash surplus per the Statement of Comparison of Budget and Actual Amounts and the Statements of Financial Performance relates to non-cash movements.

Explanations of material variances between actual amounts and final budgeted

amount Receipts

Accommodation charges - private lease

This is a recoverable budget where invoices are issued to Clients based on the leased accommodation they occupy. The variance was mainly due to invoices which were not fully paid by the Department of Defence

Accommodation charges – state owned and client project

The variance on state owned accommodation was attributable to unpaid invoices by Client Departments. The main contributors of the unpaid invoices are Department of Defence, owing R128 million, Department of Sports Arts and Culture R36 million, the Department of Justice R128 million and Department of Environmental Affairs owing R37 million.

Accommodation charges - freehold private

The variance on freehold private was attributable to unpaid invoices by private individuals who are not paying the rentals charged on the monthly basis.

Municipal services recovered

Municipal services recovered is relating to the actual recoveries where the PMTE paid municipal services on behalf of clients. It also includes recoveries from client departments relating to the water and energy savings programme. There was no budget provision in the ENE as it was expected to have this budget fully devolved to Clients during the prior year. The lower amount received is attributable to the unpaid invoices. The biggest portion of the outstanding amount is linked to invoices issued to Departments owing significant amounts, namely Correctional Services, Defence, South African Police Services and Justice and Constitutional Development.

<u>Expenditure</u>

Repairs

The overspending is due to the reclassification of Recoverable and non-recoverable infrastructure projects from current to capital. The also increased the underspending against those budget items.

Compensation of Employees

102% of the allocated R2.198 billion under compensation of employees' budget was spent. As at the end of March 2025, there were 524 additional filled positions. The overspent amount of R 48.7 million as at the end of March 2025 will be defrayed from saving under goods and services and non-recoverable capital infrastructure budget, which forms part of the transfer from the DPWI main vote.

29. Budget differences

(continued)

Operating Leases

This is a recoverable budget and based on the lease contracts in place. The 2% underspending (R 91 million) is due to lease payments being held back for variance reasons.

Property Rates

The property rates budget is based on the rates that are due to local municipalities based on the valuations of the assets on the PMTE's immovable asset register. The over expenditure are attributable to the cut that had to be implemented after the Defence reduction in accommodation charges. All savings identified against other budgets were moved her to reduce the impact of the cut, but the budget still overspent by 2%.

Capital recoverable expenditure (Client Capital)

As these projects are recoverable, the PMTE must request approval from the client departments before tenders are advertised, when recommended bids are higher than the estimate and every time there is an increase in the cost of the project. Clients are expected to sign-off on their available allocations before the start of the financial year, but some Clients only make the allocations available during the first quarter of the financial year. This leads to delays and under-expenditure as projects cannot be placed on the Procurement Plan before approval of the budget. Further delays are experienced on site by defaulting contractors and other contractors not delivering in accordance with the projected project execution plan and expenditure. R 59 million of the underspending reported is due to the reclassification of expenditure from Capital to Current.

Capital non-recoverable expenditure

The variance between the budget and the actual expenditure is due to the delay in the execution and finalization of the projects which was caused by poor performance by some of the contractors and is also due to the reclassification of expenditure from Capital to Current.

Machinery and Equipment

The underspending on this item is mainly due to delays experienced in the procurement of departmental laptops and office furniture.

30. Contingencies

Contingent liabilities	2025 R'000	2024 R'000
Municipal services and property rates	67 137	264 955
Legal claims against the PMTE	758 593	1 057 079
	825 730	**1 322 034**

Municipal services and property rates

The contingent Liability/Asset relates to State Domestic Facilities (SDF) and un-surveyed properties (or land) where ownership has not yet be confirmed. The PMTE has been billed by various municipalities on SDF properties but the PMTE is unable to make payment due to the provisions of the Property Rates Act.

A property in legal dispute from Bloemfontein region disclosed at R215m was resolved, resulting in the reduction on Municipal services and property rates contingent liabilities.

Legal Claims against the PMTE

The claims against the PMTE arose from property and maintenance disputes with various third parties and/or service providers as well as litigations. The entity's legal advisors are handling the claims on behalf of the PMTE and have assessed the probability of each claim in determining the total amount of the legal contingent liability and that the outflow of economic benefits is possible at the reporting date.

Contingent assets	2025 R'000	2024
Legal claims by the PMTE	1 053 387	933 696
Special Investigative Unit recoveries	45 114	45 114
Contingent Assets: Property Plant and Equipment		-
	1 098 501	**978 810**

R'000

Legal claims by the PMTE

The claims instituted by the PMTE result from numerous claims and litigation with various third parties and/or service providers,

i.e. breach of contract, damages claim, counterclaims, defaulting contractors, arrear rentals, recovery of services paid by the PMTE, etc. The entity's legal advisors are handling the claims and litigations on behalf of the PMTE and have assessed the probability of each claim in determining the total amount of the contingent assets and the inflow of economic benefits is possible at the reporting date.

Special investigative Unit recoveries

The Special Investigation Unit (SIU) was tasked to investigate various contracts on various proclamations. These active and ongoing investigations are reported as contingent assets amounting to R45 million. These matters are currently in the courts and/or summons have been issued for recovery of funds. Any possible recovery is not determinable at this stage.

30. Contingencies (continued)

Property Plant and Equipment

A total 56 properties fall within the category of properties with no extents, and therefore, it is not possible to calculate a deemed cost for them. PMTE is in the process of validating these properties to finalise ownership and validation of extents.

The PMTE is in the process of regularising the ownership of land parcels pertaining to state domestic facilities (SDF) built on land currently registered under a number of other state custodians. Whilst the SDFs have already been recognised, the PMTE estimates that there are three thousand three hundred and fifty eight (3 358) land parcels *that* will potentially need to be

transferred to PMTE. Transfers can only be completed once an arrangement has been concluded with the current custodian and the land has been surveyed, registered or endorsed. The value of these land parcels can furthermore only be reliably determined once it has been surveyed and the revised Surveyor General diagrams have been issued. The PMTE received the Deeds Register on 25 April 2025.

PMTE has seventeen (17) buildings that are leased from the municipalities. These properties were erroneously registered in the name of the municipalities when the townships were devolved to the Local Government. The seventeen (17) R293 properties will be recognised as State-owned upon cancellation of the lease agreements with the relevant municipalities.

The PMTE currently has a total of one thousand six hundred and fifty two (1652) properties (land parcels) that are either not claimed by any other custodian, not recorded by other custodians. These properties are currently being investigated. The investigation of these properties are still ongoing and the removal of these properties from the deemed list will occur once they have been claimed and recorded by the other custodians.

31. Irregular expenditure

	2025	2024
Irregular Expenditure	344 741	224 116
	344 741	**224 116**

The comparative amount for irregular expenditure was adjusted by a net reduction of R26 million, whereby transactions amounting R8 million relating to 2023/24 financial year were discovered in the current financial year, an amount R34 million did not meet the definition of irregular expenditure after the assessments tests were performed, while an amount of R6.6m relates to transactions that were previously "Not Condoned, Not Recoverable". .

32. Financial instruments disclosure

Categories of financial instruments

Financial assets at amortised cost		
Receivables from exchange transactions	3 226 650	3 611 078
Cash and cash equivalents	1 885	8 087
	3 228 535	**3 619 165**

Financial liabilities at amortised cost		
Bank overdraft (current liability)	4 377 816	3 741 199
Payables from exchange transactions	3 516 073	3 278 150
Retention liabilities	462 757	354 404
Finance lease obligation	11 775	10 023
	8 368 421	**7 383 776**

33. Risk management

Financial risk

management

The entity's activities are exposed to a variety of financial risks which includes market risk (including interest rate risk), credit risk and liquidity risk.

The Director-General, as the Accounting Officer, is responsible for strategic risk management. The Audit Committee provides oversight over the risk management. The PMTE has a risk management strategy that has been developed in terms of the Treasury Regulation 3.2. The purpose of the PMTE risk management strategy is to identify the risks and ensure that the overall risk profile remains at acceptable levels. The risk management strategy provides reasonable, but not absolute, assurance that risks are being adequately managed.

The PMTE risk policy sets out the minimum standards of risk management to be adopted and adhered to by all the units within the PMTE. The risk policy is established to identify and analyse the risks faced by the PMTE, to set appropriate risk tolerance levels and controls and to monitor risks and adherence to these tolerance levels. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the PMTE activities. The risk management policy contains processes for identifying both the impact and likelihood of such a risk occurring. Risks that have been identified as having a potentially severe impact on the PMTE are regarded as unacceptable and where possible will be avoided. Financial risk is not considered significant with the exception of the overdraft.

Responsibility for adherence to the PMTE risk management strategy rests with the management. Internal Audit provides reviews of management's compliance to the risk management processes within the PMTE. Internal Audit reports to management and the Audit Committee on a regular basis.

33. **Risk management (continued)**

Liquidity risk

Liquidity risk is the risk that the PMTE is not able to settle its obligations. The entity manages liquidity risk through an ongoing review of future obligations and credit facilities.

For operating lease liabilities and finance lease liabilities, the maturity analysis is disclosed in note 5 and note 14 respectively. Operating lease payments for vehicles increases annually based on CPIX. All payments are due within 30 days except tender deposits and retentions which are due when the related contracts expire. These tender deposits are considered immaterial in managing the cash flows of the PMTE and have been excluded from the maturity analysis below

2025	Note	1 month R'000	2-12 months R'000	2 years R'000	3 years R'000	> 3 years R'000	Total R'000
Bank overdraft (current liability)	6	4 377 816	-	-	-	-	4 377 816
Accrued expenses - CAPEX projects*	12	899 875	-	-	-	-	899 875
Accrued expenses - Cleaning and gardening	12	32 858	-	-	-	-	32 858
Accrued expenses - Leases	12	200 244	-	-	-	-	200 244
Accrued expenses - OPEX projects*	12	319 088	-	-	-	-	319 088
Accrued expenses - Municipal services	12	706 723	-	-	-	-	706 723
Accrued expenses - Other	12	491 265	-	-	-	-	491 265
Accrued expenses - Property rates	12	526 258	-	-	-	-	526 258
Accrued expenses - Maintenance*	12	304 625	-	-	-	-	304 625
Accrued expenses - Security	12	27 662	-	-	-	-	27 662
Trade payables	12	3 373	-	-	-	-	3 373
Retention liabilities	13	298 165	148 790	8 340	91	7 371	462 757
		8 187 952	**148 790**	**8 340**	**91**	**7 371**	**8 352 544**

2024	Note	1 month R'000	2-12 months R'000	2 years R'000	3 years R'000	> 3 years R'000	Total R'000
Bank overdraft (current liability)	6	3 741 199	-	-	-	-	3 741 199
Accrued expenses - CAPEX	12	826 431	-	-	-	-	826 431
Accrued expenses - Cleaning and	12	25 305	-	-	-	-	25 305
Accrued expenses - Leases	12	82 719	-	-	-	-	82 719
Accrued expenses - OPEX projects*	12	265 910	-	-	-	-	265 910
Accrued expenses - Municipal	12	706 558	-	-	-	-	706 558
Accrued expenses - Other	12	286 707	-	-	-	-	286 707
Accrued expenses - Property rates	12	635 211	-	-	-	-	635 211
Accrued expenses - Maintenance*	12	419 292	-	-	-	-	419 292
Accrued expenses - Security	12	22 480	-	-	-	-	22 480
Trade payables	12	322	-	-	-	-	322
Retention liabilities	13	348 779	45 246	26 090	1 096	589	421 800
		7 360 913	**45 246**	**26 090**	**1 096**	**589**	**7 433 934**

The liquidity maturity analysis represents the contractual cash flows and has not been discounted.

Credit risk

Credit risk is the risk of financial loss to the PMTE if a client department or counterparty defaults on its contractual obligations to the PMTE. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the Statement of Financial Position.

The PMTE manages this risk by requiring retentions and or guarantees before contract work commences.

33. Risk management (continued)

Outstanding debt is assessed for impairment and amounts are not written off unless the authorised process is followed. However, as a result of client departments' inability to accumulate savings to settle debt, a considerable amount of time may expire before the amount is collected.

The PMTE is also exposed to additional credit risk as a result of the transfer of functions as it now also collects monies from the private sector for leases. The extent of these are not considered to be material.

The PMTE makes provision for this in the impairment calculation by discounting the expected future cash flows taking into account the expected period of payment.

Amounts that are neither past due nor impaired are considered to be recoverable as it relates to the current invoices not outstanding later than 30 days.

Refer to note 3 for the aging of Trade and other receivables that are past due but not impaired

The nature of the PMTE's exposure to credit risk and its objectives, policies and processes for managing credit risk have not changed significantly from the prior period.

33. Risk management (continued)

Financial and statutory assets exposed to credit risk at year end were as follows:

	2025 R'000	2024 R'000
Cash and cash equivalents	1 885	8 087
Receivables from exchange transactions	3 226 650	3 611 078
Receivables from non-exchange transactions	1 476	746
	3 230 011	**3 619 911**

The carrying values of the above financial assets are net of any impairments and approximate their fair value.

None of the amounts disclosed above have been pledged as security or collateral for liabilities or contingent liabilities.

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The PMTE is exposed to limited interest rate risk from cash balances as it sweeps transactions through commercial accounts to the Reserve Bank account.

The PMTE is exposed to changes in the interest rate applicable to debt owed to the state. Other changes in interest rates are considered insignificant. National Treasury determines this rate and manages the risk on behalf of National Government.

34. Related parties

The PMTE performs property management services for the state owned and leasehold immoveable assets occupied by National Departments and their related parties, and recognises and recovers accommodation charges from them.

The PMTE is exempt from disclosure of related party transactions provided that the services are received/delivered within normal supplier/client relationships, on terms and conditions that is no more nor less favourable than those that would have reasonably be expected to be adopted if dealing with that entity/person in the same circumstances. The extent of those transactions delivered in accordance with the PMTE legal mandate and that meets the exemption criteria, is included in note 17 (accommodation charges - leasehold inter-governmental and management fees on municipal services).

The PMTE operates within the administration of the DPWI and as such all contracts are entered into in the name of the DPWI. The liabilities and obligations arising from these transactions are accounted for by the PMTE if it relates to the PMTE operating activities as these liabilities will be settled using the PMTE funds and resources. As such, these transactions are not considered related party transactions.

Revenue from non-exchange transactions		
Augmentation	4 288 092	4 276 211
Goods and service in-kind	5 306	22 943
	4 293 398	**4 299 154**

34. Related parties (continued)

Other overhead costs include the sharing of corporate services function between the DPW and the PMTE. Due to the nature of these transactions and the operational structures between the PMTE and the DPW, the value of these shared costs cannot be reliably measured. These costs, paid by the DPW on behalf of the PMTE and not recovered, include the following corporate shared services:

- Supply Chain Management (SCM) for head office
- Internal Audit
- Human Resources (Human Resource Management and Human Resource and Organisational Development)
- Gender, people with disabilities, youth and children
- Marketing and Communication
- Information Services
- Legal Services
- Security Management
- International relations and Strategic Management Unit
- Office of the Ministry, Office of the Director General and Office of the Chief Financial Officer
- Monitoring and Evaluation
- Labour Relations

The PMTE receives an augmentation of funds from National Treasury via the DPW to fund its operations.

The PMTE recognises accommodation revenue on state owned buildings based on the amount budgeted by client departments. The level of service delivery relating to this accommodation charge is not linked to the value received, it is likely that some clients may benefit to the disadvantage of others. It is not possible to identify the extent of benefit or disadvantage received. The full amount of the revenue transaction is disclosed in note 17. The related receivables (accommodation debtors - freehold inter-governmental) is disclosed in note 3.

Revenue from exchange transactions:	**2025**	**2024**
Accommodation charges - freehold intergovernmental	**R'000**	**R'000**
Agriculture, Forestry and Fisheries	243 651	232 415
Arts and Culture	129 496	122 962
Border Management Authority	149	-
Correctional Services	839 528	815 395
Defence and Military Veterans	1 398 999	1 334 045
Higher Education	73	70
Environmental Affairs	56 395	50 625
SA Revenue Services (SARS)	52 761	50 345
Government Pension Administration Agency	31 428	29 239
Health	7 473	7 504
Office of the Public Protector	179	170
Home Affairs	91 595	86 767
Justice and Constitutional Development	513 109	489 405
Labour	90 009	85 886

Notes to the Annual Financial Statements

Rural Development and Land Reform	9 586	8 715
Mineral Resources	4 977	4 747
National Health Laboratory Services	8 704	8 326
National Treasury	10 529	10 187
Public Service and Administration	56 691	53 775
Public Works	56 785	54 183
SA Police Services	1 828 458	1 777 210
Social Development	1 029	908
SA Social Security Agency	102	102
Statistics South Africa	7 064	6 422
Trade and Industry	12	12
Water and Sanitation	306 601	292 269
Science & Innovation	6 007	7 118
	5 751 390	**5 528 802**

	2025	2024
	R'000	R'000

34. Related parties (continued)

Independent Development Trust (IDT) is the DPWI's Public Entity responsible for the delivery of social infrastructure programmes and projects and is being accommodated in the following Regional offices at no cost:

-Cape Town.

	2025	2024
Revenue from non-exchange transactions		
Public Works - Augmentation	4 288 092	4 276 211
Public Works - Goods and service in-kind	5 306	22 943
	4 293 398	**4 299 154**

The Augmentation is funds that are received from DPWI to cover the operational costs of the PMTE.

	2025	2024
Gross receivables from exchange transactions:		
Accommodation charges - freehold intergovernmental		
Correctional Services	1 695 431	1 702 543
Health	25 720	24 029
Defence	552 401	586 178
Government Pension Admin Agency	139	139
Environmental Affairs	167 621	131 249
Health Civitas	45 275	45 275
National Treasury	234	222
Justice and Correctional Services	13 456	9 469
Sa Social Security Agency	1 167	1 065
Science & Innovation	5 838	5 397
Social Development	3 628	2 599
Statistics South Africa	1	1
South African Police Services	87 662	50 615
Trade and Industry	165	154
Public Service And Administration	8 535	7 805
	2 607 273	**2 566 740**

Impairment relating to exchange transactions:		1 662 654
Accommodation charges - freehold intergovernmental		
Correctional Services	1 671 690	
Environmental Affairs	164 895	131 249
Health	24 363	22 224
Defence	529 422	668 468
Health Civitas	45 275	45 275
National Treasury	222	71
Government Pension Admin Agency	139	32
Justice and Constitutional Development	54	2
Public Service and Administration	8 535	7 082
Social Development	3 628	2 599
South African Police Services	51 587	50 615
Science & Innovation	5 398	5 397
Statistics South Africa	1	1
Trade and Industry	165	154
Sa Social Security Agency	1 167	1 065
	2 506 541	**2 596 888**

	2025	2024
	R'000	R'000

34. Related parties (continued)

The below table shows the total outstanding debt per client department as well as the cumulative impairment recognised. The "Gross receivables from exchange transactions: Accommodation charges - freehold intergovernmental" above is included in the below receivables

*** Where Not explicitly indicated, the amounts have been rounded off to the nearest thousand (R'000)**

Client Department	Gross receivable balance 31 March 2025				Impairment Provision 31 March 2025			
	Freehold Intergovernmental R'000	Leasehold intergovernmental R'000	Municipal services R'000	Total R'000	Freehold Intergovern Mental R'000	Leasehold intergovernmental R'000	Municipal Services R'000	Total R'000
Agriculture re	-	-	3 608	3 608	-	-	3 031	3 031
Agriculture, F	-14 283	-50 254	111 150	46 613	574	-	98 210	98 724
Arts and Cult	-169 441	-688	58 976	-111 154	14 046	-	56 049	69 965
Basic Educat	49 326	-	-	49 494	49 326	-	-	49 326
Border Mana	-	-2	-	-2	-	-	-	-
Companies &	-	-	168	168	-	-	-	168
Centre for pu	-	-139	-	-139	-	-	-	-
Communicati	-	2 484	228	2 712	-	-	228	228
Companies a	-	-	-	-	-	-	168	168
Coop govt an	-	-	-	-	-	-	-	-
Correctional	1 856 643	-20	3 321 354	5 177 977	1 674 606	-	3 282 612	4 957 019
Defence	680 845	674 411	3 515 174	4 847 315	617 026	487 349	3 515 174	4 618 979
Department o	-	-520	-	-520	-	-	-	-
Die Afrikaans	-	-114	-	-114	-	-	-	-
Energy	-	19 429	-607	18 822	-	19 429	-	19 429
Environmenta	185 844	15 520	30 850	232 214	183 191	11 979	26 030	221 200
Eskom Holdi	364	-	-	364	364	-	-	364
Film & Public	-	-41	181	140	-	-	181	181
Financial and	-	-	5 002	5 002	-	-	5 002	5 002
Gender Equa	-	-	2 213	2 213	-	-	2 213	2 213
Government	-	1 324	37	1 361	-	1 324	36	1 360
Government	-	-	-	-	-	-	-	-

Health	25 720	4 873	8 826	39 419	24 363	4 478	8 813	37 665
Health Civita	45 275	-	-	45 275	45 275	-	-	45 275
Government	139	2 040	805	2 984	139	1 949	14	2 103
Geo science	-	-	3 169	3 169	-	-	528	528
Higher Educa	-7	17 363	3 605	20 961	-	17 363	3 260	20 623
Home Affairs	-28 162	133 444	49 370	154 652	45	141	560	747
Human Right	-	-	118	118	-	-	104	104
Human Settle	-	71 815	-655	71 160	-	71 815	-	71 815
Independent	-	194 725	2 172	196 897	-	191 044	2 172	193 216
Inter Relation	98 212	-	7 757	105 969	98 212	-	7 757	105 969
Kwazulu-Nat	-	105	-	105	-	-	-	-
Justice and C	95 512	93 667	335 607	524 786	1 116	7 952	300 928	309 996
Justice & Con	-	13 317	-	13 317	-	550	-	550
Labour	-13 193	-40 513	12 650	-41 056	3	-	2 950	2 953
Military Vetar	-	16 938	16	16 954	-	10	16	26
Minerals Res	-27 410	1 816	1 150	-24 434	-	1 368	1 160	2 529
Municipal Infr	-	-	-	-	-	-	-	-
National Heal	-	1 016	-	1 016	-	87	-	87
National Mus	-	572	-	572	-	270	-	270
National Pros	2 143	651	3 442	6 236	2 143	105	318	2 566
National Mus	-	-	-	-	-	-	-	-
National Sch	-	-	-271	-271	-	-	-	-
National Trea	234	384 739	7 636	392 609	222	379 194	7 636	387 052
Pan South Af	-	-189	-	-189	-	-	-	-

	2025 R'000	2024 R'000

34. Related parties (continued)

Parliament	1 355	1 648	-	3 003	1 355	1 648	-	3 003
Planning,Mon	-	-169	332	163	-	-	332	332
Public Enterp	-	-	32	32	-	-	32	32
Public Protec	109	-	246	355	109	-	234	342
Public Servic	8 535	-4 940	203	3 798	8 535	-	188	8 722
Public Servic	-	2 170	293	2 463	-	108	293	401
Public Works	-	-840	1 615	775	16	-	2	2
Register of D	8	-	-	8	-	-	-	-
Rural dev an	-	91 953	9 013	100 966	-	1 821	1 521	3 343
Robben Islan	-	218	-	218	-	57	-	57
Robben Islan	-	24	-	24	-	-	-	-
SA Police Se	126 424	350 725	1 348 545	1 825 694	57 311	3 115	788 119	848 486
Sa Social Se	1 231	13 391	-	14 622	1 231	-	-	1 231
SAMAF	-	-	329	329	-	-	329	329
SARS	-48 275	-	5	-48 270	101 446	-	-	101 446
Small Busine	-	1 498	-	1 498	-	1 359	-	1 359
SASSA- Bloe	-	-	42	42	-	-	5	5
SASSA- Joha	-	-	426	426	-	-	377	377
SASSA- Kim	-	-	-12	-12	-	-	-	-
SASSA- Nels	-	-	9 913	9 913	-	-	9 028	9 028
SASSA- Polo	-	-	235	235	-	-	227	227
SASSA- Pret	-	-	-	-	-	-	-	-
SASSA- Umt	-	-	869	869	-	-	848	848
SASSA-Cape	-	-	210	210	-	-	205	205
SASSA-Durb	-	-	72	72	-	-	7	7
SASSA-Port	-	-	177	177	-	-	166	166
SASSA-Mma	-	-	655	655	-	-	342	342
Science and	7 172	10 464	160	17 796	5 427	10 464	160	16 048
SITA	-	-	6 824	6 824	-	-	3 377	3 377
Registra of D	-	-	-	-	-	-	-	-
Social Develo	3 628	5 330	331	9 289	3 628	9	331	3 968
Sports and R	-	-	4 447	4 447	-	-	4 447	4 447
Statistics SA	68	1 502	12 946	14 516	68	1 502	12 108	13 678
Tourism	-	-777	-	-777	-	-	-	-
Women and	-	352	-	352	-	352	-	352

Trade and In	165	-976	1 309	498	165	-	1 309	1 474
Transport	-	148 246	116	148 362	-	148 246	116	148 363
Water and Af	-270 492	-47 746	-461	-318 699	-	-	-	-
Totals	**2 617 689**	**2 129 842**	**8 882 612**	**13 607 028**	**2 889 942**	**1 365 092**	**8 146 224**	**12 401 258**

Client Department	Gross receivable balance 31 March 2024				Impairment Provision 31 March 2024			
	Freehold Intergovernmental R'000	Leasehold intergovernmental R'000	Municipal services R'000	Total R'000	Freehold Intergovernmental R'000	Leasehold intergovernmental R'000	Municipal Services R'000	Total R'000
Agriculture re	-	-	3 049	3 049	-	-	880	880
Agriculture, F	-1 410	-52 278	97 305	31 017	3	-	74 419	74 422
Arts and Cult	-166 290	-823	52 235	-114 877	42 376	-	44 977	87 353
Basic Educat	49 326	-	-	49 326	49 326	-	-	49 326
Border Mana	-	296	-	296	-	296	-	296
Companies &	-	-4	137	133	-	-	137	137
Centre for pu	-	-139	-	-139	-	-	-	-
Communicati	-	-19	157	138	-	-	157	157
Coop govt an	-	1	-	1	-	-	-	-
Correctional	1 740 312	10 750	2 667 410	4 418 472	1 664 094	1 379	2 516 792	4 182 264
Defence	682 531	644 666	3 056 762	4 383 959	639 390	455 401	3 056 244	4 233 325

	2025	2024
	R'000	R'000

34. Related parties (continued)

Department o	-	472	-	472	-	-	-	-
Die Afrikaans	-	-116	-	-116	-	-	-	-
Ditsong Muse	-	153	-	153	-	153	-	153
Energy	-	59 033	-	59 033	-	21 978	-	21 978
Environmenta	147 811	41 200	29 028	218 039	147 883	11 807	14 127	173 817
Eskom Holdi	344	-	-	344	344	-	-	344
Film & Public	-	547	181	728	-	12	113	125
Financial and	-	-	4 618	4 618	-	-	4 618	4 618
Gender Equa	-	4 133	2 212	6 345	-	4 133	2 212	6 345
Government	-	1 211	37	1 248	-	1 090	18	1 108
Government	-	-	-	-	-	-	-	-
Health	24 029	31 278	8 401	63 708	22 224	3 298	5 175	30 697
Health Civita	45 275	-	-	45 275	45 275	-	-	45 275
Government	139	2 229	1 174	3 542	32	-	10	42
Geo science	-	-	5 231	5 231	-	-	146	146
Higher Educa	-5	35 918	3 316	39 228	-	2 710	2 330	5 040
Home Affairs	-2 850	91 193	40 533	128 876	22	11 573	460	12 055
Human Right	-	1 639	338	1 977	-	1 639	55	1 694
Human Settle	-	72 914	-	72 914	-	69 239	-	69 239
Independent	-	177 568	2 038	179 606	-	165 537	1 165	166 702
Inter Relation	91 161	1 971	7 168	100 300	91 161	1 971	5 852	98 984
Iziko Museum	-	-	-	-	-	-	-	-
Kwazulu-Nat	-	-491	-	-491	-	-	-	-
Justice and C	126 693	34 975	-	161 667	866	4 979	181 920	187 765
Justice & Con	-	6 667	-	6 667	-	175	-	175
Justice & Con	-	-	353 809	353 809	-	-	-	-
Labour	-12 939	-25 687	2 923	-35 701	-	-	1 282	1 282
Military Vetar	-	-1 166	15	-1 151	-	-	8	8
Minerals Res	-25 427	6 471	1 859	-17 097	-	173	1 179	1 352
National Heal	-	467	-	467	-	46	-	46
National Libra	-	-	-	-	-	-	-	-
National Pros	1 989	621	1 697	4 307	1 989	460	706	3 155
National Mus	-	223	-	223	-	1	-	1
National Sch	-	-	-	-	-	-	-	-
National Trea	222	321 481	6 973	328 676	71	321 481	6 973	328 525

Pan South Af	-	-459	-	-459	-	-	-	-
Parliament	1 257	2 079	-	3 336	1 257	1 935	-	3 192
Planning,Mon	-	-6 995	-	-6 995	-	-	-	-
Public Enterp	-	-	32	32	-	-	32	32
Public Protec	101	53	212	366	101	1	12	114
Public Servic	7 805	-4 940	303	3 168	7 082	-	161	7 243
Public Servic	-	5 718	292	6 010	-	1 061	292	1 353
Public Works	-	-377	1 422	1 045	-	-	22	22
Rural dev an	-	-34 484	-	-34 484	-	-	-	-
Robben Islan	-	695	-	695	-	77	-	77
Robben Islan	-	98	-	98	-	7	-	7
SA Police Se	83 483	296 710	997 178	1 377 371	56 144	18 018	270 081	344 244
Sa Social Se	1 123	-	-	1 123	1 126	-	-	1 126
SAMAF	-	1 355	219	1 574	-	1 171	219	1 390
SARS	-44 963	-	117	-44 846	94	-	-	94
Sa Social Se	-	-12 658	-	-12 658	-	-	-	-
SASSA- Bloe	-	-	190	190	-	-	8	8
SASSA- Joha	-	-	369	369	-	-	12	12
SASSA- Kim	-	-	21	21	-	-	-	-
SASSA- Nels	-	-	9 579	9 579	-	-	7 543	7 543
SASSA- Polo	-	-	514	514	-	-	156	156
SASSA- Pret	-	-	-	-	-	-	-	-
SASSA- Umt	-	-	1 233	1 233	-	-	695	695
SASSA-Cape	-	-	204	204	-	-	168	168

	2025 R'000	2024 R'000

34. Related parties (continued)

SASSA-Durb	-	-	7	7	-	-	2	2
SASSA-Port	-	-	1 540	1 540	-	-	115	115
SASSA-Mma	-	-	1 449	1 449	-	-	66	66
Science and	8 662	6 677	217	15 556	5 414	6 677	217	12 309
SITA	3 536	-	9 674	13 210	3 536	-	3 120	6 656
Registra of D	2 010	-	-	2 010	-	-	-	-
Social Develo	2 599	-357	309	2 551	2 599	-	309	2 908
Sports and R	-	23 263	4 120	27 383	-	11 455	4 120	15 575
Statistics SA	63	96	11 846	21 539	47	9 210	7 666	16 923
Tourism	-	6 418	7	6 425	-	16	7	23
Trade and In	154	-976	1 216	393	154	-	1 044	1 198
Transport	-	-51 404	114	-51 290	-	-	114	114
Water and Sa	-254 347	-48 727	-	-303 074	-	-	-	-
Woman and	-	352	1	353	-	352	1	353
Totals	**2 499 794**	**1 659 024**	**7 390 991**	**11 549 808**	**2 782 612**	**1 129 510**	**6 218 137**	**10 130 259**

The tables below indicate the **commitments** emanating from freehold intergovernmental leases. The transactions were entered into between the PMTE and client departments on cost recovery basis, which is not considered to be within normal supplier and/or recipient relationships which are on terms and conditions no more or less favourable than those which it is reasonable to expect the entity to have adopted if dealing with that individual entity or person in the same circumstances.

2025

FREEHOLD INTERGOVERNMENTAL COMMITMENTS

Client Department	**Remaining minimum lease revenue**	**less than 1 year**	**1 to 5 years**	**more than 5 years**
Public Works	335 659	56 785	227 138	51 737
Public Protector	1 282	189	867	226
DSAC	761 046	128 748	514 994	117 304
Water & Sanitation	1 678 981	284 038	1 136 152	258 790
	2 776 968	**469 760**	**1 879 151**	**428 057**

2024

FREEHOLD INTERGOVERNMENTAL COMMITMENTS

Client Department	Remaining minimum lease revenue	less than 1 year	1 to 5 years	more than 5 years
Public Works	374 461	54 183	216 730	103 549
Public Protector	1 435	179	822	434
Public Service Admin	44 180	-	44 180	-
DSAC	482 759	69 853	279 410	133 496
Water & Sanitation	1 382 551	200 048	800 190	382 313
	2 285 386	**324 263**	**1 341 332**	**619 792**

The PMTE is paying for **Municipal services** on behalf of the following users, free of charge (or on a nominal value with respect to Prestige clients). These transactions meet the definition of Related party transactions, and they are listed below:

	2025	2024
	R'000	R'000
DPWI- LPOE	14 488	8 172
Leased Out P	1 457	5 666
DPWI Prestige	126 223	109 229
Parliament	81	74
The Presidency	16 026	16 243
Total	**158 275**	**139 384**

34. Related parties (continued)

The PMTE incurs costs relating to **cleaning and gardening services** for leasehold properties occupied by certain client departments. Figures reflected in the tables below reflect the related party transactions applicable per client department. These costs are not recovered from client departments and therefore considered a free service to them. The related party accruals disclosed below are unsecured and are expected to be settled within the normal course of business.

Expenditure		
Arts and Culture	20 712	17 971
Justice and Constitutional Development	303 090	283 233
	323 802	**301 204**

Accruals raised		
Arts and Culture	4 050	2 302
Defence and Military Veterans	-	30
Justice and Constitutional Development	19 433	16 830
South African Police Services	318	-
	23 801	**19 162**

Below is the related party transactions for impairment expenses for services rendered by the PMTE to client departments::

	2025	2024
	R'000	R'000
Freehold Intergovernmental	24 711	870 520
Leasehold Intergovernmental	235 582	20 456
Municipal Services	1 931 087	479 034
	2 191 380	**1 370 010**

34. Related parties (continued)

2025

Remuneration of management

	Official	Basic salary	Non-pensionable salary	Structured service bonus	Post-employment benefits	Other short-term employee benefits	Total
Employees: Regional Managers							
Bloemfontein	TP Zulu	1 081	197	90	141	92	1 601
Cape Town	PP Penxa	1 148	211	96	149	136	1 740
Durban	NN Vilakazi	874	396	73	114	94	1 551
Johannesburg (Acting)	J Mabaso*	877	189	73	114	94	1 347
Kimberley	R Baulackey	1 065	161	89	139	99	1 553
Mmabatho	R Matlala	901	301	75	117	139	1 533
Nelspruit	PT Mashiane	1 030	434	-	134	130	1 728
Polokwane (Acting)	M Mathivha	639	124	71	111	186	1 131
Pretoria	TB Hlatshwayo	1 218	236	101	158	45	1 758
Mthatha	N Hlengwa**	1 020	37	85	133	391	1 666
Employees: Other Officials							
Chief Director: Construction Management Inland	W Hlabangwane	1 030	437	86	134	72	1 759
Director: Town Planning	M Ganiso***	718	218	-	93	168	1 197
Exco Members: Head of units							
Head of PMTE	SD Sibande	1 582	213	-	206	284	2 285
Construction Project Management	B Mokhothu****	1 373	410	-	178	7	1 968
Exco Members: Deputy Director General:							
Real Estate Management Services (Acting)	NC Mthethwa	1 219	176	102	158	55	1 710
Real Estate Investment Services	S Subban	1 237	195	103	161	77	1 773

Project Management Office	L Kafile	1 116	133	93	145	68	1 555
Facilities Management (Acting)	R Samuels	1 099	66	92	143	370	1 770
		19 227	**4 134**	**1 229**	**2 528**	**2 507**	**29 625**

*J Mabaso started acting in the Johannesburg regional office on 7 May 2024.

**N Hlengwa is the Regional Manager for Umtata and also acting for Port Elizabeth.

***M Ganiso was appointed as Chairperson of National Bid Adjudication Committee (NBAC) in the previous financial year.

****B Mokhothu is also acting as the head of Facilities Management during the current financial year.

*****Muvhali is acting Head of Polokwane but employed under EPWP.

34. Related parties (continued)

2024 **Remuneration of management**	Official	Basic salary	Non-pensionable salary	Structured service bonus	Post-employment benefits	Other short-term employee benefits	Total
Employees: Regional Managers							
Bloemfontein	TP Zulu	989	46	82	129	296	1 542
Cape Town	PP Penxa	1 048	190	87	136	107	1 568
Durban	NN Vilakazi	835	379	70	109	4	1 397
Johannesburg	JM Monare*	783	355	85	102	4	1 329
Johannesburg (Acting)	KJ Mahloko	826	157	69	107	26	1 185
Kimberley	R Baulackey	974	142	81	127	112	1 436
Mmabatho	R Matlala	860	283	72	112	107	1 434
Nelspruit	PT Mashiane	995	416	-	129	142	1 682
Polokwane	M Mathivha	639	82	91	83	108	1 003
Port Elizabeth	JG Van Der Walt**	720	309	-	-	55	1 084
Pretoria	TB Phiri	835	293	-	109	155	1 392
Mthatha	N Hlengwa	960	24	80	125	267	1 456
Employees: Other Officials							
Chief Director: Construction Management Inland	W Hlabangwane	982	415	82	128	71	1 678
Director: Town Planning	M Ganiso	979	422	82	128	60	1 671

Exco Members: Head of units.							
Head of PMTE	SD Sibande****	549	78	-	71	86	784
Head of PMTE	ME Moemi	977	194	140	127	16	1 454
Construction Project Management and Facilities Management	B Mokhothu*****	1 310	391	-	170	19	1 890
Exco Members: Deputy Director General:							
Real Estate Management Services	NC Mthetwa	1 165	164	97	151	88	1 665
Real Estate Investment Services	S Subban	1 165	180	97	151	77	1 670
Project Management Office	L Kafile******	388	78	97	50	108	721

34. Related parties (continued)

Facilities Management (Acting)	R Samuels		1 033	52	86	134	328	1 633
		-	**19 012**	**4 650**	**1 398**	**2 378**	**2 236**	**29 674**

2024

* JM Monare went on pension on 31 December 2023

** JG Van Der Walt went on pension on 31 December 2023 and N Hlengwa was appointed Acting

*** M Ganiso was appointed as Chairperson of the National Bid Adjudication Commiteee (NBAC) during the year.

**** SD Sibande was appointed Head of PMTE on 1 November 2023. ME Moemi, who was the acting head of PMTE, resigned on 31 October 2023.

***** B Mokhuthu was seconded to CIDB during the year and W Hlabangwane was appointed Acting

****** L Kafile was appointed DDG: PMO during the year.

35. Prior period errors

The following are material difference relating to prior years that have been restated

Statement of financial position	Audited 2024 R'000	Restated 2024 R'000	Movement 2024 R'000
Receivables from exchange transactions	4 279 601	4 579 611	300 010
Property, plant and equipment	123 293 571	121 075 299	(2 218 272)
Investment property	376 087	358 423	(17 664)
Heritage assets	31 207 859	30 875 018	(332 841)
Intangible assets	66 326	69 700	3 374
Deferred revenue current	3 281 640	3 260 827	20 813
Deferred revenue non-current	3 122 260	2 577 726	544 534
Payables from exchange transactions	3 956 648	4 441 729	(485 081)
Retention liabilities current	367 533	326 629	40 904
Bank Overdraft	3 685 717	3 741 199	(55 482)
Provisions	306 142	108 646	197 496
Decrease in net assets			**(2 002 209)**
Statement of Financial Performance			
Revenue from exchange transactions	13 822 124	13 781 603	40 521
Revenue from non-exchange transactions	4 353 195	4 361 412	(8 217)
Depreciation, amortisation and impairments on assets	3 477 874	3 347 803	(130 071)
Employee related costs	2 122 846	2 126 719	3 873
Impairment loss on receivables	1 566 873	1 465 723	(101 150)
Loss on disposal of assets	53 002	54 772	1 770
Construction revenue	51 520	50 534	986
Property rates	1 885 332	1 907 068	21 736
Sundry operating expenses	1 632 763	1 670 277	37 514
Construction expense	51 520	50 534	(986)
Operating leases	5 674 848	5 674 871	23
Property Maintenance	2 418 806	2 285 334	(133 472)
Decrease in deficit			**(267 473)**

Decrease in opening accumulated surplus	**(1 734 736)**
Net effect	**(2 002 209)**

The prior period errors identified above were as a result of the following:

Receivables and Revenue from exchange transactions

Receivables and Revenue from exchange changed as result of the following:

During the current financial year end the entity identified and corrected the error related to recognition of revenue and measurement of receivables from exchanges transaction in prior periods. The error was as result of revenue associated with asset linked to revenue generating activities being recognised incorrectly.

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Due to the restatement of accruals, the receivables balance was also impacted, which is also the reason for the restatement of this balance.

Additionally, during the year there were adjustments made to multiple recoverable projects, the changes included project reclassification, adjustment to accruals and additions to assets under construction.

35. Prior period errors (continued)

As a result of all the above errors, financial assets in the financial instruments disclosure (note 32) has increased by an amount of R293 million.

Receivables past due but not impaired

The disclosure of Receivables past due but not impaired was restated as a result of the impact of the errors that took place under Receivables and revenue from exchange transactions above, as well as errors due to incorrect calculation of the ageing analysis.

The impact of the error resulted in the following adjustments to the amounts disclosed:

	R'000
1 month past due	R891 205
2 months past due	R989 574
3 months to 3 years past due	(R82 789)
Above 3 years past due	(R18 234)

Impairment loss on Receivables

This is due to the impact of derecognition of revenue and receivables.

The changes made on WCS accruals for 2023-24 has impacted impairment on recoverable projects hence the change in 2023/24 audited figures

Construction Revenue/Expense

Accruals for Capex projects was qualified in the 2023/24 year. In order to correct the error, the entire population was revisited. It was discovered that one project was omitted from Construction Revenue/Expense.

Property, Plant and Equipment, Heritage Asset, Investment Property

The restatement of immovable assets led to a decrease in the carrying value by R2.6 billion. The corrections made include derecognitions, additions, reclassification of assets under construction expenditure and impairment of cancelled assets under construction projects. PMTE corrects prior period errors on property, plant and equipment, investment property and heritage assets through retrospective restatement.

The main contributory factor was derecognition of land parcels amounting to R3.4 billion to address the qualification of immovable assets in 2023/24 financial year on rights and obligations as well as land additions amounting to R1.3 billion. The derecognitions also extended to buildings and improvements where assets valued at R1.2 billion were derecognised.

35. Prior period errors (continued)

Property, plant and equipment was increased by R429 million because of reclassification of expenditure previously treated as abnormal expenditure to capital expenditure which has a net increase on value of completed projects.

The Assets Under Construction register carrying value was impacted by R274 million from impairment of cancelled projects.

The restatement of the AUC Register inevitably led to the restatement of the significantly delayed projects note. The main contributory factors for the restatement of the significantly delayed projects note are restatement of accruals by an increase of R64 million, restatement of retentions by a decrease of R15 million, reclassification of disallowance miscellaneous expenditure of R30 million from abnormal expenditure to capital expenditure and correction of WIP projects to completed projects by R13 million.

Intangible Assets

The restatement is due to a reclassification of Microsoft licence from Good and Service instead of being capitalised to Intangible Assets.

Deferred Revenue

During the current year, the entity made corrections/amendments on multiple projects under construction. Amendments include project classifications (Opex/Capex) and project completion dates and additions to assets under construction.

To the extent that the projects are recoverable capital projects, the mentioned amendments had a resultant effect on deferred revenue.

There were also non-recoverable projects and Cancelled projects that were erroneously included and have subsequently been removed from the Deferred Revenue population.

Payable from exchange transactions

Payables from exchange transaction was one of the bases for qualified audit opinion in 2023-2024 financial year end. Together with the corresponding expenditure line items hence the need to restate.

The misstatements were due to the entity not accruing for goods and services that were received and not paid for as at year end. Property maintenance accruals were also misclassified as Provisions.

In order to correct the prior year misstatement, the entity embarked on a rigorous exercise to identify all invoices relating to property rates, property maintenance and sundry operating expense which were not previously accrued in prior period and those previously classified as Provisions

Because we were restating the accruals, the recoverable amounts in note 3 were also affected.

During the year, we reclassified two accounts from Accrued Maintenance – Opex to Accrued expense – Maintenance and, vice versa, this was to ensure that we separate WCS related accruals from Day to Day Maintenance related accruals, for fare presentation.

We further changed the name from Accrued expense -Scheduled Maintenance to Accrued expense - Maintenance

The adjustment resulted in a decrease in Accrued expense -Opex by R75.2million and an increase in Accrued Expense- Maintenances by the same amount.

As a result of all the above errors, financial liabilities in the financial instruments disclosure (note 32) has increased by an amount of R544 million.

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35. Prior period errors (continued)

Retention

In the prior period we were qualified on commitment because of terminations that were not updated on the system. When clearing the terminated project for commitments there were retentions attached to those contract that needed to be cleared, the change of R41 million is due to terminations that were cleared and projects on status 7.

As a result of the above errors, financial liabilities in the risk management disclosure (note 32) has decreased by an amount of R41 million.

Provisions

Payables from exchange transaction was one of the bases for qualified audit opinion in 2023-2024 financial year end. Together with the corresponding expenditure line items hence the need to restate.

The misstatements were due to the entity not accruing for goods and services that were received and not paid for as at year end. Property maintenance accruals were also misclassified as Provisions.

In order to correct the prior year misstatement, the entity embarked on a rigorous exercise to identify all invoices relating to property rates, property maintenance and sundry operating expense which were not previously accrued in prior period and those previously classified as Provisions

Employee Cost

The movement is due to other accruals that were incomplete in the prior year in relations to back payment of employees that were adjusted during restatements of other accruals. There was also a late Persal interface that should have interfaced by 31 March 2024.

Property Maintenance and Provisions

Payables from exchange transaction was one of the bases for qualified audit opinion in 2023-2024 financial year end. Together with the corresponding expenditure line items hence the need to restate.

The misstatements were due to the entity not accruing for goods and services that were received and not paid for as at year end. Property maintenance accruals were also misclassified as Provisions.

In order to correct the prior year misstatement, the entity embarked on a rigorous exercise to identify all invoices relating to property maintenance expense which were not previously accrued in prior period and those previously classified as provisions.

Notes to the Annual Financial Statements

Property rates

Payables from exchange transaction was one of the bases for qualified audit opinion in 2023-2024 financial year end. Together with the corresponding expenditure line items hence the need to restate.

The misstatements were due to the entity not accruing for goods and services that were received and not paid for as at year end. In order to correct the prior year misstatement, the entity embarked on a rigorous exercise to identify all invoices relating to property rates expense which were not previously accrued in prior period..

Sundry operating expense

Payables from exchange transaction was one of the bases for qualified audit opinion in 2023-2024 financial year end. Together with the corresponding expenditure line items hence the need to restate.

The misstatements were due to the entity not accruing for goods and services that were received and not paid for as at year end. Property maintenance accruals were also misclassified as Provisions.

In order to correct the prior year misstatement, the entity embarked on a rigorous exercise to identify all invoices relating to property rates, property maintenance and sundry operating expense which were not previously accrued in prior period and those previously classified as Provision.

35. Prior period errors(continued

Irregular Expenditure

The comparative amount for irregular expenditure was adjusted by R26 million due to the net effect of certain irregular transactions relating to 2023/24 financial year that were only discovered in the current financial year, and those which did not meet the definition of irregular expenditure after the relevant assessments tests were concluded in the current financial year.

Contractual Commitments

Contractual commitments for the acquisition and maintenance of Property, plant and equipment was one of the bases for qualified audit opinion in 2023-2024 financial year. The correction is due to discontinued projects which had been disclosed contractual commitments in the prior year financial statements. This included removal of projects that were on status 7 that did not have a retention or an accrual. The entire population of commitments was revisited to identify and reverse all such invalid commitments. When clearing the discontinued projects for commitments there were retentions attached to those contracts that also needed to be cleared. The intangible assets consist on mainly software licences. The adjustment amounts are as follows*:*

	Capex (R'000)	**Opex (R'000)**
Property plant and Equipment:	(R448 063)	(R101 476)
Heritage assets:	R60 432	-

35. Prior period errors (continued)

Intangible Assets	R58 752	R13 881

Contingent Assets

There was an adjustment of R700 million contingent assets that was incorrectly disclosed in the prior years as R700 thousand. This has been corrected and has resulted in an increase in the 2023-24 of R699,3 million

Revenue from non-exchange transactions

The increase in revenue from non-exchange was due to the increase of R8,2million from Donations revenue, as a result of the restatements of immovable assets

Depreciation, armortisation and impairment of assets

The 2023/24 depreciation and impairment was restated mainly due to additions, derecognitions, reclassification of disallowance payments expenditure for completed assets under construction projects and restatement of accruals and retentions for completed projects.

Loss on disposal of assets

The restatement on loss on disposal of assets is as a result of land restitution, consolidation of land parcels as well as land parcels transferred to other custodians

Remuneration of management

Two officials were erroneously included as part of key management in the 2023/24 financial year as follows: TR Kolele total remuneration R1,182million

NP Kubeka total remuneration R1,502 million

Cash flow Statement

An amount of R32,9 million was identified as payment for software licenses, this was corrected and removed from operating activities under the line item Admin goods and services and was moved to Investing Activities under the item Additions to Intangible assets.

Cash generated from operations - Note 28

Working capital changes in the cash flow note: Cash generated from operations amounting to R6,6 million came as a result of changes in the following financial statement line items:

	R'000
Receivables from exchange transactions	(R193 232)

Notes to the Annual Financial Statements

Receivables from non-exchange transactions	R84 110
Payables from exchange transactions	R454 361
Provisions	(R198 369)
Retention Liabilities	(R35 294)
Deferred revenue	(R119 798)
Finance lease liability	R1 632

35. Prior period errors(continued)

Lease Commitments

The decrease of R55,4million in lease commitments was as a result of the derecognition of freehold intergovernmental properties in the prior year.

Risk Management

The liquidity risk part of the risk management has decreased significantly by a net amount of R7,3 billion, which is mainly as a result of the removal of capital and operational commitments in the risk management disclosure note, as the inclusion thereof did not comply with the requirements of GRAP. The commitments balance was also restated.

The credit risk part of the note has decreased by R426 million as a result of the removal of operating lease asset due to non- compliance with the requirements of GRAP.

Bank Overdraft and Cash Flow Statement

Reversal of funds from the outstanding payment to APC (account payable control) account amounting to R 60,6 million.

Duplicate payments relate to overpayment to service providers, overpayment by the SARB on the cashbook sent to National Treasury amounting to R 28,3 million.

Transactions with a status of TOR (to be rejected) on SAGE were cancelled in prior years. The payment status was incorrect since payments had been processed and as such resulted in the incorrect cancellation of these paid transactions. To re-instate the cancelled and paid transactions, R 90,3 million was processed to correct and adjust for the related expenditure in prior years.

The R 2,7 million is made up of various transactions that require additional investigations.

As a result of these adjustments, the bank overdraft balance in the cashflow statement was affected by R 55 million.

Summary of the corrections are as follows:

	R'000
Reversal of payment to APC	R13 127
TOR to be reversed	R47441
Duplicate payments to raise Receivables	(R28379)
Paid but incorrectly reversed	(R90 326)
Other	R 2 660

Related Party: Impairment loss expense

The related party impairment loss expense of R1,4 billion was not disclosed in 2023/24 as required by GRAP, therefore the related party had to be disclosed as per the requirement.

Related Party - Freehold Intergovernmental Commitments

The related party- freehold intergovernmental commitments of R2,3 billion was not disclosed in 2023/24 as required by GRAP, therefore the related party had to be disclosed as per the requirement.

Related Party - Municipal Services

The related party - Municipal services of R139 million was not disclosed in 2023/24 as required by GRAP, therefore the related party had to be disclosed as per the requirement.

35. Prior period errors (continued)

36. Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

Although the PMTE has a bank overdraft of R4.4 billion (2024: R3.7 billion) and the current liabilities exceed the current assets by R9 billion (2024 R7.5 billion) management maintains their assertion that the PMTE is able to continue on a going concern basis into the foreseeable future. Current liabilities include Deferred Revenue as disclosed in note 11 of R3.5 billion (2024 R3.3 billion) and other non-financial liabilities of R1 billion (2024: R1.2 billion) (note 12) that will be settled in services rather than cash. Management applies the accounting principles of conservatism and prudence when accounting for its liabilities. The PMTE operates under the control and support of the National Department of Public Works and Infrastructure ("DPWI").

National Treasury has been informed of the PMTE's position accordingly. Management is embarking on a revenue generating drive and has reinforced its efforts in collection of all outstanding debts. The main reason for the increase in the bank overdraft was due to the increase in the amounts owed by client departments. Management has engaged in robust discussions with the relevant departments and National Treasury to resolve the issues around non-payment and to ensure payment is received on outstanding amounts.