Western Cape Government









Department of Infrastructure

Annual Report

2025/26

Department of Infrastructure
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Director: Strategic Management Support
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VOTE 10: DEPARTMENT OF INFRASTRUCTURE

ANNUAL REPORT 2025/26

ERRATA

Part E: PFMA Compliance Report

1. Irregular, fruitless and wasteful, unauthorised expenditure and material losses

REPLACE

Description	2025/26 R'000	2024/25 R'000
Opening balance	58 403	71 221
Adjustment to opening balance	-	-
Opening balance as restated	**528 403**	**77 240**
Add: Irregular expenditure confirmed	-	1 147
Less: Irregular expenditure condoned	-57 289	-19 984
Less: Irregular expenditure not condoned and removed	-1 114	-
Less: Irregular expenditure recoverable[1]	-	-
Less: Irregular expenditure not recovered and written off	-	-
Closing balance	**0**	**58 403**

WITH

Description	2025/26 R'000	2024/25 R'000
Opening balance	58 403	71 221
Adjustment to opening balance	-	6 019
Opening balance as restated	**58 403**	**77 240**
Add: Irregular expenditure confirmed	-	1 147
Less: Irregular expenditure condoned	-57 289	-19 984
Less: Irregular expenditure not condoned and removed	-1 114	-
Less: Irregular expenditure recoverable[1]	-	-
Less: Irregular expenditure not recovered and written off	-	-
Closing balance	**0**	**58 403**

Western Cape Government









Department of Infrastructure

The value we add FOR YOU

Who are we?

We are the Western Cape Department of Infrastructure (DOI).

Our vision

To enable infrastructure-led growth and investment for the Western Cape that will benefit the communities we serve.

Our mission

To tirelessly pursue the delivery of infrastructure that is: resilient, inclusive, safe and seeks to heal, skill, integrate, build social cohesion, connect, link and empower Western Cape citizens, driven by passion, ethics and a steadfast commitment to the environment with our people as our cornerstone.

The core values of the Western Cape Government (WCG)

C
Caring

Co
Competence

A
Accountability

I
Integrity

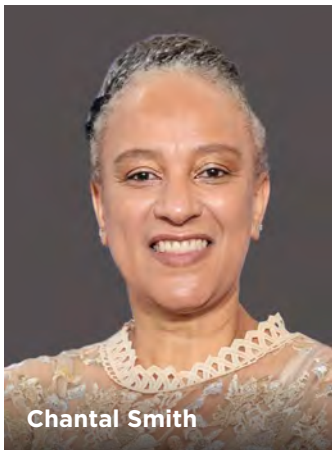
In
Innovation

R
Responsiveness

Who is in charge


Tertuis Simmers

Tertuis Simmers is the Provincial Minister (Executive Authority) responsible for the Department of Infrastructure. He is an elected politician who is responsible for directing the Department's activities so that these are in line with national and provincial government policies.

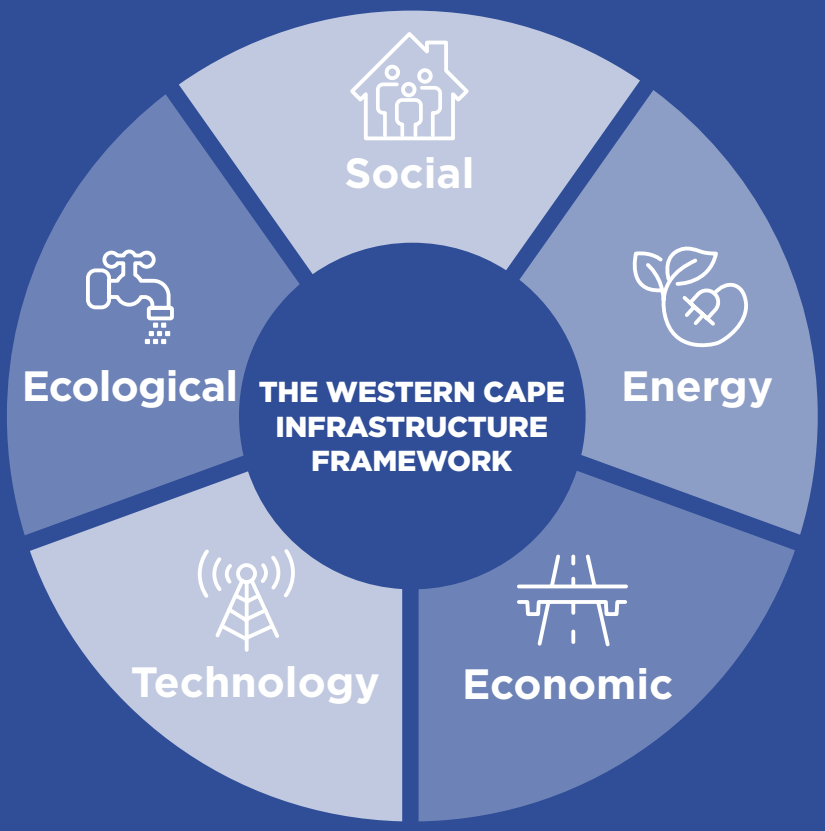

Chantal Smith

Adv. Chantal Smith is the Head of Department (Accounting Officer). She is a public servant who is appointed to ensure that DOI meets its mandates and implements ministerial and governmental directives efficiently and effectively.

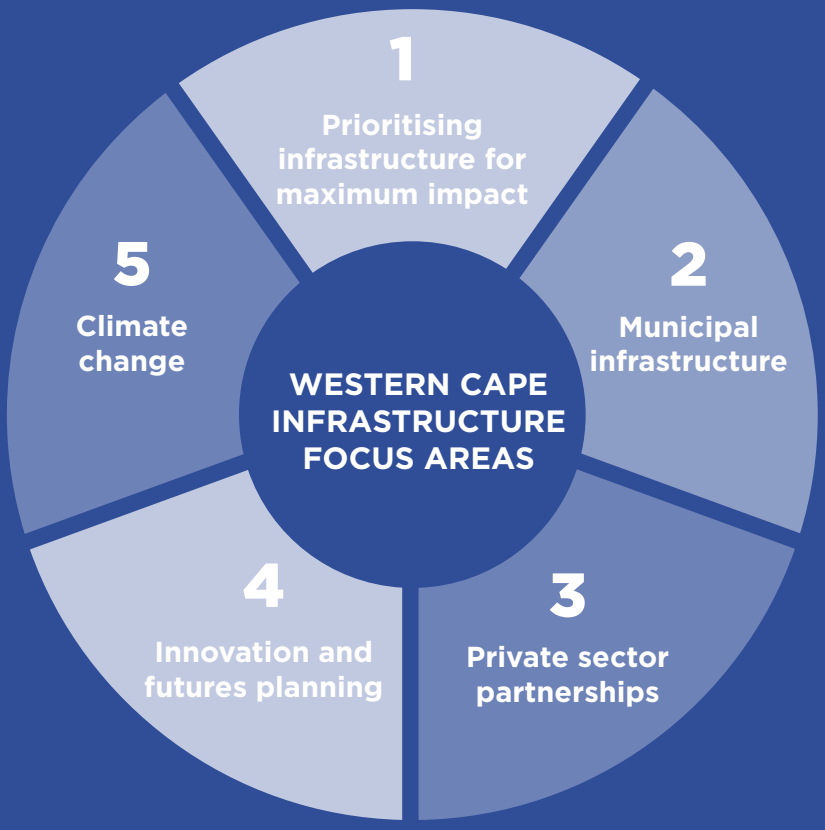
MINISTERIAL PRIORITIES

- **Partnerships -** partnering with key identified stakeholders.
- **Accelerating delivery -** speed and scale.
- **Using new materials and methods -** alternative delivery models, new building technologies and AI (artificial intelligence) solutions.
- **Securing private sector involvement.**
- **Unlocking and securing new funding sources,** including corporate social investment (CSI).
- **Building the sector** through a skills focus and a trusted infrastructure pipeline.

Sectors the DOI supports



DOI's focal areas and outcomes



Outcomes

1. An infrastructure foundation and capability for development.
2. Sustained delivery for maximum impact.
3. Leveraging the provincial infrastructure portfolio and mandate to bring about fundamental spatial transformation
4. Catalysing innovation, private sector development and climate-sensitive infrastructure.



We provide strategy and policy support for infrastructure development

- Spatial transformation and consolidation
- Optimising infrastructure for growth, well-being and jobs
- Protecting the existing infrastructure portfolio
- Responding to the climate change imperative
- Renewable energy infrastructure

- We contribute to the Provincial Strategic Plan's **Infrastructure, Mobility, and Spatial Transformation focus areas,** while playing an active role in the **Growth for Jobs** priority of the Western Cape Recovery Plan. This includes responding to the climate change imperative and focusing on renewable energy infrastructure.
- We are becoming a **purpose-driven organisation** that places the **well-being of citizens at the centre** of all our service delivery through **systemic spatial transformation** over a **20-year timeframe.**

FOR YOU, the citizen, this means a cohesive approach to critical infrastructure for everyone's benefit.

We plan, design and deliver sustainable infrastructure

- Sustainable education infrastructure
- Sustainable health infrastructure
- Sustainable general infrastructure

- We **design** sustainable **education, health and general infrastructure** projects so that they are ready for the tender process to begin.
- We **deliver** sustainable **education, health and general infrastructure.**
- We provide **backup power** and install new **solar photovoltaic panels** in certain WCG facilities.



FOR YOU, the citizen, this means better access to well-functioning health, education and other public services.

We optimise access to public services through shared service delivery precincts

Shared public service delivery precincts

- We **optimise public access to public services** and the efficient use of public land and resources through planning precinct-level projects.

FOR YOU, the citizen, this means better access to public services in a single location.

We deliver sustainable human settlements and upgrade informal settlements

Deliver state- and non-state housing units

Utilise sustainable building technologies

Upgrade informal settlements

Deliver serviced sites

Deliver housing subsidies

Register title deeds

- We develop **sustainable human settlements.**
- We focus on **priority development areas** (PDAs) as a catalyst for restructuring and revitalising towns and cities.
- We focus on **social housing projects** in the City of Cape Town and Western Cape towns, working with the Social Housing Regulatory Authority and social housing institutions.
- We **upgrade informal settlements** through the Upgrading of Informal Settlements Programme (UISP).





FOR YOU, the citizen, this means better access to housing opportunities, informal settlement upgrading, access to housing assistance, and more secure tenure.

We help to settle disputes between landlords and tenants

Promote stability in the rental housing sector

Intervene in disputes between landlords and tenants

Inform landlords and tenants about their rights and obligations

Conduct Rental Housing Tribunal hearings

- We **intervene in disputes** between landlords and tenants to promote stability in the rental housing sector.
- We facilitate, investigate, mediate and conduct **dispute resolution** processes through the **Rental Housing Tribunal.**
- We inform landlords and tenants about their **rights and obligations.**
- We intervene in instances where rental properties are **not adequately maintained.**
- We intervene in cases of **unlawful seizure of possessions.**

Contact Centre: 0860 106 166; Please Call Me: 079 769 1207; SMS: Help to 31022; Email: rht.enquiries@westerncape.gov.za.

FOR YOU, the citizen, this means better protection of the rights of landlords and tenants.

We enable spatial transformation through integrated development

Spatial transformation through integrated development

Conradie Park

Founders' Garden

Leeuloop

Prestwich Precinct

- We promote **spatial transformation** through well-located, residentially led, mixed-use, mixed-income live-work-play-learn **integrated development** projects close to public transport. Current projects include Conradie Park in Pinelands, Founders' Garden, Leeuloop and Prestwich Precinct developments in central Cape Town.



FOR YOU, the citizen, this means better access to social housing and integrated living in central locations.

We manage and maintain WCG-owned immovable assets (land and buildings)

Provide accommodation facilities

Manage land and buildings

Green the built environment

Optimise utilisation, sustainability and efficiency

Maintain education, health and general infrastructure

- We provide **accommodation facilities** to WCG departments and provincial entities.
- We actively **green the built environment** through pursuing Green Building Council of South Africa certification for qualifying WCG buildings.
- We **optimise the utilisation, environmental sustainability and efficiency** of accommodation and facilities, including **energy performance certification.**
- We undertake **building condition assessments.**
- We **maintain, refurbish and renovate** sustainable **education, health and general infrastructure.**



FOR YOU, the citizen, this means better maintenance of existing health, education and other public service sites.

We provide access to professional training in critical skills

Professional infrastructure skills development

Bursaries for tertiary-level study in infrastructure fields

Professional green building skills training

- Our **Professional Development Programme** (PDP) enables graduates in technical infrastructure fields to get the experience and additional training they need to **become registered professionals** in their fields.
- DOI enables professional staff to keep their registrations current by enabling them to meet **continuing professional development** (CPD) training requirements.
- Our **Masakh'iSizwe Bursary Programme** provides tertiary-level study bursaries for young people in **scarce and critical technical infrastructure skills** on a work-back basis. Bursars must work for the DOI for a year for every year they received study support.
- We support professional **green building skills training** provided by the Green Building Council of South Africa Academy. This complements work done to improve the efficiency and environmental sustainability of our immovable asset portfolio.





FOR YOU, the citizen, this means the development of better, more sustainable, public infrastructure.

We create work opportunities through public works and transport infrastructure

Work opportunities through public works

Work opportunities through transport infrastructure

- We **create work opportunities** through health, education, general infrastructure and transport infrastructure projects.

FOR YOU, the citizen, this means better access to work opportunities on projects that will benefit the community you live in.

We plan, design, deliver and maintain transport infrastructure

Spatial transformation through transport infrastructure

Plan transport infrastructure

Design transport infrastructure

Deliver transport infrastructure

Maintain transport infrastructure

- We support **spatial transformation** through the development of major road infrastructure projects such as the George Western Bypass, the completion of the R300 to the north, the Cape Town Integrator-Northern Growth Corridor, Saldanha Industrial Development Zone road network upgrades, and the Worcester Bypass.
- We help ensure that **road infrastructure is safe and rideable** for private motorists, road-based public transport, and commercial vehicles.
- We assess and comment on the impact on the proclaimed road network of **land-use planning and development applications** from municipalities.
- We undertake **road asset management planning.**
- We visually **assess the condition of surfaced and gravel roads.**
- We **upgrade gravel roads to surfaced roads.**
- We **rehabilitate and reseal surfaced roads.**
- We **re-gravel and blade gravel roads.**
- We **blacktop-patch surfaced roads.**



FOR YOU, the citizen, this means better, safer roads support economic growth and provide better access to work opportunities, economic opportunities and social amenities.

We help to make the Western Cape more energy-secure

Action to mitigate climate change
Renewable energy in WCG facilities
Municipal IPP procurement
Gas to Power feasibility study
Mapping generation potential

- We mitigate the impact of **climate change** by supporting **renewable energy** in the Western Cape.
- We provide **backup power** and install new **solar photovoltaic panels** in certain WCG facilities.
- We support Western Cape municipalities to become more energy-secure through the **Municipal Independent Power Producer Project** (MIPPP).
- We are establishing the feasibility of a **Gas to Power** project in the Western Cape.
- We are **mapping the electricity grid** to establish energy generation potential in the Western Cape.



DOI Head Office, 9 Dorp Street



Artscape Theatre



Karl Bremer Hospital



Elsenburg Agricultural Training Institute

FOR YOU, this helps to support economic growth and employment by making the Western Cape's energy supply more secure.

We manage the Expanded Public Works Programme (EPWP) in the Western Cape

Train designated groups to improve the employability of participants

Manage public body reporting on EPWP targets in the Western Cape

- We provide **skills training interventions** and **apprenticeships** for designated groups to add valuable skills to the economy and enable participants to become more employable.
- We provide technical and coordination support to **public EPWP implementing bodies and institutional forums in the Western Cape** and monitor their performance.
- We use the **Empowerment Impact Assessment Tool** and contract participation goals to measure the **work and skills training impacts on communities** of certain DOI projects costing more than R10m.



Metalworker



Welders

FOR YOU, the citizen, this means better access to work and training opportunities.

We develop emerging contractors and support economic empowerment



Large DOI infrastructure projects create job opportunities for local labourers, as well as opportunities for emerging businesses to provide goods and contracting services.



- We implement the **Contractor Development Programme.**
- We support **local procurement of goods and services** in large infrastructure projects.

FOR YOU, the emerging contractor or local business, this means better access to economic opportunities.

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DEPARTMENT OF INFRASTRUCTURE

Western Cape Government

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PART A

General information

Part A: General Information

1 Contact details for the Department

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	Rental Housing Tribunal:	0860 106 166
EMAIL:	infrastructure@westerncape.gov.za	
WEBSITE ADDRESS:	www.westerncape.gov.za	

2 Acronyms and abbreviations

4IR	Fourth Industrial Revolution
AFS	Annual Financial Statements
AGSA	Auditor-General of South Africa
AIMS	Asset Information Management System
AO	Accounting Officer
APP	Annual Performance Plan
BAC	Bid Adjudication Committee
BAS	Basic Accounting System
BB-BEE	Broad-based Black Economic Empowerment
BIM	Building Information Modelling
BLMEP	Better Living Model Exemplar Project
BMI	Body Mass Index
bn	billion
BNG	Breaking New Ground – A Comprehensive Plan for the Development of Sustainable Human Settlements, 2004
CAE	Chief Audit Executive
C-AMP	Custodian Asset Management Plan
CBD	Central business district
CD	Chief Director
CDC	Community day centre
CDP	Contractor Development Programme
CETA	Construction Education and Training Authority
CFO	Chief Financial Officer
CGI	Condition Grade Index
CIDB	Construction Industry Development Board
CoCT	City of Cape Town
CRC	Current replacement cost
CRU	Community residential unit
CSC	Corporate Services Centre, DotP
CSD	National Treasury Central Supplier Database
CYCC	Child and youth care centre
DCGIP	Departmental Corporate Governance Improvement Plan
DDG	Deputy Director-General
DEDAT	Department of Economic Development and Tourism
DOI	Department of Infrastructure
DORA	Division of Revenue Act (annual)
DotP	Department of the Premier
DPSA	Department of Public Service and Administration
DR	Divisional road
DTPW	Department of Transport and Public Works
ECSA	Engineering Council of South Africa
EE	Employment equity
EHW	Employee health and wellness
EHWP	Employee Health and Wellness Programme

EI	DOI Education Infrastructure portfolio
EMPIA	Empowerment Impact Assessment tool
EMS	Emergency Medical Services
EPWP	Expanded Public Works Programme
EPWPRS	EPWP Reporting System
ERM	Enterprise risk management
ERMCO	Ethics and Enterprise Risk Management Committee
ERP	Western Cape Energy Resilience Programme
ETIR	Empowerment targets implementation report
FCA	Facility condition assessment
FG	DOI Directorate: Financial Governance
FHFP	First Home Finance Programme
FIPDM	Framework for Infrastructure Procurement and Delivery Management
FLISP	Finance Linked Individual Subsidy Programme (now known as the First Home Finance Programme)
FMPPI	Framework for Managing Programme Performance Information
FNB	First National Bank
FTE	Full-time equivalent
G4J	Growth for Jobs Strategy
GI	DOI General Infrastructure portfolio
GIAMA	Government Immovable Asset Management Act, 2007
GIS	Geographic information system
GPS	Global Positioning System
GPSSBC	General Public Service Sector Bargaining Council
HCE	Housing Consumer Education Programme
HCT	HIV and AIDS counselling and testing
HEI	Higher education institution
HSS	Human Settlements System
HI	DOI Health Infrastructure portfolio
HOD	Head of Department
HR	Human resources
HSDG	Human Settlements Development Grant
HVAC	Heating, ventilation and air conditioning
ICASA	Independent Communication Authority of South Africa
IAF	Internal Audit Function
IAR	Immovable Asset Register
ICT	Information and communication technology
IDA	International Development Association
IDMS	Infrastructure Delivery Management System
IDP	Integrated development plan
IPMP	Infrastructure Programme Management Plan
IPP	Independent power producer
IPPF	International Professional Practices Framework
IRM	Infrastructure Reporting Model
ISUPG	Informal Settlements Upgrading Partnership Grant
IYM	In-Year Monitoring reporting

LUM	Land use management
m	million
M&E	Monitoring and evaluation
MCW	Minor Capital Works programme
MEC	Member of the (provincial) Executive Council (Provincial Minister)
MERSETA	Manufacturing, Engineering and Related Services Sector Education and Training Authority
MIPPP	Municipal Independent Power Producer Procurement Project
MOD	Mass Participation, Opportunity and Access, Development and Growth Centre
MR	Main road
MTDP	Medium Term Development Plan 2024–2029
MTEC	Medium Term Expenditure Committee
MTEF	Medium Term Expenditure Framework
MWp	Megawatt peak
NASHO	National Association of Social Housing Organizations
NCDP	National Contractor Development Programme
NDHS	National Department of Human Settlements
NDP 2030	National Development Plan 2030
NECOM	National Energy Crisis Operational Committee
NHBRC	National Home Builders' Registration Council
NIP	National Infrastructure Plan 2050
NQF	National Qualifications Framework
NPWISSP	National Public Works and Infrastructure Sector Strategic Priority
NSDF	National Spatial Development Framework
NT	National Treasury
NTR	National Treasury Regulation
NTSSP	National Transport Sector Strategic Priority
NUSP	National Upgrading Support Programme
NYS	National Youth Service
ODA	Other delivery agent
OHS	Occupational health and safety
OP	Ondergeskikte pad (Minor Road)
OSD	Occupation-Specific Dispensation
PAC	Public Accounts Committee
PAIA	Promotion of Access to Information Act, 2000
PAJA	Promotion of Administrative Justice Act, 2000
PAY	Premier's Advancement of Youth
PCS	Project control systems
PDP	Professional Development Programme
PE	Potentially emerging contractor (CIDB rating)
PER	Property Efficiency Report
PERMIS	Performance Management Information System
PERMPS	Provincial Enterprise Risk Management Policy and Strategy
PERSAL	Personnel and Salary System
PFA 6	Priority Focus Area 6 in the G4J
PFMA	Public Finance Management Act, 1999

PFS	Provincial Forensic Services
PHSHDA	Priority human settlement and housing development area
PILIR	Policy and Procedure on Incapacity Leave and Ill-Health Retirement
PIP	Property in possession
POE	Portfolio of evidence
PPC	Provincial Property Committee
PPA	Power purchase agreement
PPP	Public-private partnership
PPPFA	Preferential Procurement Policy Framework Act, 2000
PPR	Preferential Procurement Regulations
PROCAP	Procedural Guide for Clients, Architects and other professionals
PSCBC	Public Service Coordinating Bargaining Council
PSDF	Provincial Spatial Development Framework
PSP	Provincial Strategic Plan 2025–2030
PSR	Public Service Regulations
PSRMF	Public Sector Risk Management Framework
PT	Provincial Treasury
PTI	Provincial Treasury Instruction
PV	Photovoltaic
QAIP	Quality Assurance and Improvement Program
RAMP	Road Asset Management Plan
RAMS	Road Asset Management System
RCAM	Road Classification and Access Management guidelines
RFP	Request for proposals
RGDP	Road Graduate Development Programme
RISFSA	Road Infrastructure Strategic Framework for South Africa
RNIS	Road Network Information System
SAPS	South African Police Service
SARS	South African Revenue Service
SASQAF	South African Statistical Quality Assessment Framework
SCM	Chief Directorate: Supply Chain Management/ supply chain management
SCOPA	Standing Committee on Public Accounts
SDF	Spatial Development Framework
SDIP	Service Delivery Improvement Plan
SEDFA	Small Enterprise Development Finance Agency
SHI	Social housing institution
SHRA	Social Housing Regulatory Authority
SITA	State Information Technology Agency
SL	Salary level
SMME	Small, medium and micro-enterprise
SMS	Senior Management Service
SPLUMA	Spatial Planning and Land Use Management Act, 2013
SOP	Standard operating procedure
STI	Sexually transmitted infection
TB	Tuberculosis
TMH	Technical Methods for Highways

TR	Trunk road/ Treasury Regulation
TRH	Technical Recommendations for Highways
U-AMP	User asset management plan
UISP	Upgrading of Informal Settlements Programme
USDG	Urban Settlements Development Grant
WCBD	Western Cape Bid Document
WCDH&W	Western Cape Department of Health and Wellness
WCED	Western Cape Education Department
WCG	Western Cape Government
WCIF 2050	Western Cape Infrastructure Framework 2050
WCIIP 2050	Western Cape Infrastructure Implementation Plan 2050
WCIS 2050	Western Cape Infrastructure Strategy 2050
WCLAA	Western Cape Land Administration Act, 1998
WCSEB	Western Cape Supplier Evidence Bank
WI	Works Inspector

3 Foreword by the Provincial Minister



The 2025/26 financial year marked another period of determined action by the Western Cape Department of Infrastructure. Our province continues to navigate an exceptionally complex environment – one defined by economic uncertainty, an ever-growing demand for services, and the urgent need to transform how infrastructure delivery responds to climate change, rapid urbanisation, and a constrained fiscal framework. Despite these challenges, the Department has continued to deliver tangible outcomes for the people of the Western Cape. Over the past year, we accelerated catalytic housing and human settlement projects, and strengthened our partnership approach with municipalities, communities and the private sector. These efforts remain central to our vision of using infrastructure as a foundation for economic growth, job creation and spatial transformation.

The 2025/26 financial year again tested our provincial resilience as the Department had to reprioritise projects in response to torrential rains and severe flooding that impacted communities, human settlements, and critical infrastructure networks. These severe weather events inevitably impact our intended transport infrastructure plans, requiring an immediate reprioritisation of resources and capacity towards urgent emergency repairs and the restoration of transport corridors. Despite these operational disruptions, the Department responded with agility to protect public safety and restore essential mobility. Crucially, our response focused on more than just swift restoration. We committed to "building back better" by integrating higher engineering standards and climate-resilient designs into restored assets to withstand future environmental shocks. Ultimately, these events underscored the absolute necessity of our climate adaptation strategy, proving that resilient infrastructure is essential to safeguarding lives and livelihoods across the Western Cape.

Following the approval of the Western Cape Infrastructure Framework 2050 by the Provincial Cabinet in October 2024, the Western Cape Infrastructure Strategy 2050 and Western Cape Infrastructure Implementation Plan 2050 were tabled in May 2025. Together, these three strategic documents provide the vision, strategy over the short, medium and long term as well as the implementation plan for infrastructure in the province.

Crucially, during the financial year, the governance structure for infrastructure in the province was strengthened through the first meetings of the Infrastructure Ministerial Committee, the Infrastructure Technical Committee and the Regional Planning Governance Committee Working Group. These engagement platforms serve as the governance model for our long-term vision under the Western Cape Infrastructure Framework 2050 (WCIF 2050), the Western Cape Infrastructure Strategy 2050 (WCIS 2050) and the Western Cape Infrastructure Implementation Plan 2050 (WCIIP 2050). The Western Cape Single Integrated Infrastructure Project Pipeline is the mechanism designed to move key projects from concept to bankable, investor-ready execution. By the end of the

financial year, 52 projects spanning all three spheres of government and the private sector have been evaluated to a value of R132 billion.

By focusing on alternative funding models, digital technology, and modern procurement practices, we are fundamentally redefining public-private partnerships to unlock private capital, drive economic confidence, and accelerate infrastructure-led spatial transformation and job creation across the Western Cape.

Significant progress was made in advancing key projects aligned with the WCIF 2050. This included the implementation of priority housing development areas, continued investment in the Expanded Public Works Programme (EPWP), and the modernisation of public works infrastructure to improve efficiency and environmental sustainability. Importantly, the Department has also maintained its focus on safeguarding and maintaining existing assets – from schools and health facilities to transport routes – to the highest possible standard.

None of these achievements would have been possible without the dedication of our employees. Their commitment to public service, even in the face of resource constraints and growing service delivery demands, remains the cornerstone of the Department's success.

Looking ahead, we are acutely aware that the work is far from done. The Department must continue to focus on spatial redress, ensuring that infrastructure investment brings communities closer to economic opportunities, creating a more inclusive, sustainable Western Cape. We must also strengthen governance, drive organisational efficiency, and embrace new technologies and methods that will improve the quality and impact of the services we deliver.

It is my privilege to present this Annual Report for the 2025/26 financial year. It reflects both the progress we have made and the scale of the work that lies ahead. Through collaboration, innovation and an unwavering focus on the communities we serve, the Department of Infrastructure will continue to deliver the infrastructure that enables a better future for all.



Tertuis Simmers
Executive Authority
Department of Infrastructure
Date: 31 August 2026

4 Report of the Accounting Officer (AO)

4.1 Overview of the operations of the Department of Infrastructure (DOI)



The 2025/26 financial year was the first year of the implementation of the DOI Strategic Plan 2025/26–2029/30 undertaken in the broader context of the Provincial Strategic Plan 2025–2030 (PSP), the Western Cape Infrastructure Framework 2050 (WCIF 2050), the Western Cape Infrastructure Strategy 2050 (WCIS 2050) and the Western Cape Infrastructure Implementation Plan 2050 (WCIIP 2050).

The DOI acknowledges the significance of its role as a key contributor to the Growth for Jobs (G4J) priority and is the implementation lead for Priority Focus Area (PFA) 6: Infrastructure and the Connected Economy.

The DOI recognises that the ever-evolving environment in which it operates requires a collective approach to complex societal problems. To this end, it has invited key partners to work with it to shape the future through the delivery of infrastructure that provides access to government health, education, human settlement and other services, and facilitates the movement of people and goods through top-quality transport infrastructure. This mission-oriented approach is firmly embedded throughout the WCIF 2050, the WCIS 2050 and the WCIIP 2050.

The Department's approach is framed by the five focus areas of the WCIF 2050, namely prioritising infrastructure for maximum impact, supporting municipal infrastructure, fostering private sector partnerships, innovation and futures planning, and mitigating the negative effects of climate change.

The Department embodies a vision that aligns infrastructure growth with socio-economic advancement, climate resilience and transformative public service delivery. This reflects our commitment to deliver efficient, effective and sustainable infrastructure services. We continually strive to put communities at the centre of development through our vision "To enable infrastructure-led growth and investment for the Western Cape that will benefit the communities we serve" and dedicate ourselves to advance infrastructure projects that address the needs of our growing population in key sectors such as roads, housing, energy, education and healthcare.

Through strategic prioritisation and collaboration with stakeholders, we aim to initiate and complete projects that strengthen connectivity, improve access to essential services and stimulate equitable economic growth.

The DOI continues to protect existing assets in recognition of the critical role that well-maintained and strategically leveraged infrastructure plays in addressing spatial transformation and societal resilience.

Critical risks that had a direct impact on operations during the year under review included funding uncertainty across the Medium Term Expenditure Framework (MTEF), societal unrest, increased vandalism and organised crime, the ever-increasing impact of severe weather and an increase in the demand for services.

The constrained fiscal environment underscores the need to work with academia, national and local stakeholders and the Provincial Treasury to explore new infrastructure funding, risk-sharing, procurement and delivery models. Our eMerge platform, building information modelling (BIM) capabilities, data-driven asset management systems, infrastructure Virtual Platform as well as the integration of various technologies in the roads infrastructure space have demonstrated the positive impact of innovation and applied technology.

The Department has partnered with municipalities and national government to identify suitable land for reform and land restitution. We anticipate that vacant land identified through this process will be leveraged for development by the private sector and will help provide affordable housing opportunities in our drive to overcome spatial inequality.

We are continually leveraging the Western Cape Government's (WCG) infrastructure portfolio to present development opportunities and earmarked properties for investment, spatial redress (which includes integration and reform) and restitution (focused on restoring the dignity of communities).

The DOI has played a key role in the Western Cape Energy Resource Plan, drawing extensively from our supply chain and infrastructure technical expertise. We continued in the year under review with the work that began in 2024/25 on the generation, procurement, and trading of low-carbon energy (new energy generation) and the maintenance and expansion of the energy infrastructure that is required for the Western Cape of the future.

Work continued in the year under review on mixed-use and mixed-income housing projects in the Cape Town inner city and other well-located areas within the greater Cape Town area. Phase 2 of the social housing component of the Conradie Park development was completed with the construction of the last two blocks in that phase. Apex Schools, a private school operator, opened two temporary classrooms in the year under review with the aim of opening the school in January 2027. The Provincial Pavement Testing Laboratory (PPTL) site (Prestwich Precinct) is being prepared for conditional disposal to the market for the development of mixed-use and mixed-income housing opportunities in central Cape Town.

The Masakh'iSizwe Bursary Programme continued to support bursars to study for tertiary level qualifications in the engineering and built environment fields, 52 per cent of whom were female, and 6 per cent of whom are persons with disabilities. The Professional Development Programme trained graduates in the engineering and built environment disciplines to help them meet the standards and requirements for professional registration.

In 2025/26, major floods caused an estimated R1.8bn of damage to the provincial road network. Major repair work was necessary on the Franschhoek Pass, the Hemel-en-Aarde Road and the Montagu Pass. While funding was received for flood-damage repairs, it fell far short of what was required and the Department had to reprioritise projects over the Medium Term Expenditure Framework (MTEF) to fund the shortfall. Key maintenance projects in the year under review included the resealing of the road between Ceres and Citrusdal, Du Toit's kloof Pass, and multiple divisional and trunk roads near Worcester. Major transport infrastructure capital construction projects in the period included the

completion of upgrades to TR28 between Hermanus and Gansbaai and the upgrading of Baden Powell Drive (R310) near Stellenbosch. Work on the Malmesbury Bypass and safety improvements to the N7 continued in 2025/26.

In the 2025/26 period, the Department delivered housing units and serviced sites to accelerate housing delivery, upgrade informal settlements, and strengthen municipal implementation capacity across the province. The First Home Finance Programme (FHFP) continued to be a priority.

The Department is dependent on its skilled, motivated and dedicated staff members who are determined to deliver on the vision that has been set and to respond to the challenging environment in which we operate.

As the Accounting Officer, I am committed to continue to deliver the best possible service delivery outcome for the residents of the Western Cape while protecting and nurturing the technical competency, specialised capabilities, requisite systems and ethical conduct of the Department and of each of its staff members.

The DOI is grateful to all its staff members as they continue to show personal initiative and find innovative solutions to the challenges facing our department and society as a whole. Their ongoing contributions are central in shaping a sustainable, inclusive and forward-thinking infrastructure landscape for the Western Cape.

4.2 Events

Table 1 describes key departmental events during the 2025/26 financial year.

Table 1: Events during the 2025/26 financial year

No.	Date	Event	Description
1.	8 April 2025	FNB title deeds handover event at Leeuwenhof, Cape Town	Presided over by Provincial Minister Tertuis Simmers, this was the first handover event in 2025/26 of title deeds as part of the First National Bank (FNB) and WCG partnership that enables financially distressed beneficiaries to use approved housing subsidies to settle outstanding loan amounts on their homes. These beneficiaries received unencumbered title deeds to their properties.
2.	10 April 2025	Khayalethu Bungalows housing handover event, Knysna	Provincial Minister Tertuis Simmers led the Khayalethu Bungalows Housing Project handover event. This project aims to deliver over 120 Breaking New Ground (BNG) housing opportunities. These include 79 privately owned properties administered under the Emergency Housing Programme and 45 properties owned by the Knysna Local Municipality, subject to subsidy approvals.
3.	17 April 2025	City of Cape Town (CoCT) Sub-council 11 Services and Opportunities Fair	This was the first such event held in 2025/26, led by Provincial Minister Tertuis Simmers. At these events, residents are able to find out more about WCG procurement processes and the opportunities offered by the Contractor Development Programme, the DOI Consultants' Register, the EPWP, the Masakh'iSizwe Bursary Programme, and the Human Settlements Branch of DOI.

No.	Date	Event	Description
4.	13 June 2025	Leonsdale Services and Opportunities Fair, Elsie's River	This was the second such event held in 2025/26, led by Provincial Minister Tertuis Simmers. At these events residents are able to find out more about WCG procurement processes and the opportunities offered by the Contractor Development Programme, the DOI Consultants' Register, the EPWP, the Masakh'iSizwe Bursary Programme, and the Human Settlements Branch of DOI.
5.	18 July 2025	Noordhoek title deed handover, Bergrivier Municipality	At this event, Provincial Minister Tertuis Simmers and the Bergrivier Local Municipality handed over title deeds to seven qualifying beneficiaries in the Noordhoek housing project.
6.	24 July 2025	Gansbaai and Blompark title deed handover	This ceremony led by Provincial Minister Tertuis Simmers included the handover of houses from the Blompark Housing Project and title deeds to 15 beneficiaries of the Masakhane BNG housing project. The Blompark event also saw the handover of 16 BNG housing units.
7.	30 July 2025	Eendekuil housing handover event	At this event, Provincial Minister Tertuis Simmers handed over housing units at the Eendekuil housing project in the Bergrivier Local Municipality.
8.	31 July 2025	CoCT Sub-council 12 Services and Opportunities Fair	This was the third such event held in 2025/26, led by Provincial Minister Tertuis Simmers. At these events, residents are able to find out more about WCG procurement processes and the opportunities offered by the Contractor Development Programme, the DOI Consultants' Register, the EPWP, the Masakh'iSizwe Bursary Programme, and the Human Settlements Branch of DOI.
9.	5 August 2025	Saron title deed handover	Provincial Minister Tertuis Simmers handed over title deeds to local beneficiaries in Saron. This milestone was part of a broader government effort to restore dignity, property ownership rights, and security of tenure to families in the region.
10.	8 August 2025	Contractor Development Programme (CDP) graduation event	At this graduation ceremony, Provincial Minister Tertuis Simmers handed over certificates to 20 emerging contractors who had completed the Contractor Development Programme.
11.	15 August 2025	Bergsig housing handover event	Provincial Minister Tertuis Simmers handed over 20 BNG housing units to qualifying beneficiaries at the Bergsig housing project in Calitzdorp. The R113m development specifically targeted farmworkers and backyard dwellers, aiming to transition them from remote rural areas with limited amenities into closer proximity to economic opportunities.
12.	26 August 2025	Klawer title deeds handover event	Provincial Minister Tertuis Simmers handed over 199 title deeds to beneficiaries of the Klawer Phase 4 housing project in the Matzikama Local Municipality. This event marked the finalisation of the BNG housing development, which included provincially funded electrification and solar geysers.
13.	26 August 2025	Vredendal North housing handover event	Provincial Minister Tertuis Simmers visited the Matzikama Local Municipality to hand over the first 10 completed homes out of a planned 264 BNG housing opportunities for approved beneficiaries.

No.	Date	Event	Description
14.	5 September 2025	Syferfontein Military Veterans Units housing handover event, George	National Deputy Minister of Human Settlements Tandi Mahambehlala, Provincial Minister Tertuis Simmers and George Executive Mayor Jackie von Brandis handed over 30 newly constructed housing units to approved military veterans, with six beneficiaries receiving their title deeds on the same day.
15.	5 September 2025	Metro Grounds BNG housing handover event, George	National Deputy Minister of Human Settlements Tandi Mahambehlala, Provincial Minister Tertuis Simmers and George Executive Mayor Jackie von Brandis handed over housing units and title deeds in the Metro Grounds housing project.
16.	7 October 2025	Bonnievale title deed handover event	This event marked the handover by Provincial Minister Tertuis Simmers of stands upgraded under the Upgrading of Informal Settlements Programme.
17.	27 October 2025	FNB title deeds handover event, Cape Town	This was the second handover event in 2025/26 by Provincial Minister Tertuis Simmers of title deeds under the FNB and WCG partnership that enables financially distressed beneficiaries to use approved housing subsidies to settle outstanding loan amounts on their homes. These beneficiaries received unencumbered title deeds to their properties.
18.	2 December 2025	Bitterfontein sod turning ceremony, Matzikama Local Municipality	The Bitterfontein Housing Project was launched at a sod-turning ceremony by Provincial Minister Tertuis Simmers. This project will benefit approximately 98 families, with construction already underway and bulk services to be completed by March 2026.
19.	2 December 2025	Vredendal title deeds handover	Provincial Minister Tertuis Simmers handed over title deeds to 114 families in Vredendal. This milestone marked the successful delivery of secure property ownership to residents of the area.
20.	29 January 2026	Railton CBD Project sod turning	Provincial Minister Tertuis Simmers launched the Railton CBD housing project and handed over homes to beneficiaries of the Railton 950 housing development in Swellendam which is set to deliver 950 housing opportunities.
21.	29 January 2026	Railton 950 project housing handover	
22.	19 February 2026	Drakenstein title deed handover	The Drakenstein Municipality and Provincial Minister Tertuis Simmers handed over 35 title deeds to residents at an event at the Paarl East Thusong Centre. The handover was celebrated as a milestone for homeownership, providing beneficiaries with legal security, dignity and the opportunity to build generational wealth.
23.	23 February 2026	Launch of Bitou Rental Housing Satellite Office	The launch of the Bitou Rental Housing Information Office by Provincial Minister Tertuis Simmers brings Rental Housing Tribunal dispute resolution and mediation services directly to landlords and tenants in the Plettenberg Bay area.
24.	23 February 2026	Bitou Services and Opportunities Fair	This was the fourth such event held in 2025/26 led by Provincial Minister Tertuis Simmers. At these events, residents are able to find out more about WCG procurement processes and the opportunities offered by the Contractor Development Programme, the DOI Consultants' Register, the EPWP, the Masakh'iSizwe Bursary Programme, and the Human Settlements Branch of DOI.

No.	Date	Event	Description
25.	23 February 2026	Ebenhaeser housing handover	Provincial Minister Tertuis Simmers and leaders of the Bitou Local Municipality handed over FHFP homes and title deeds to beneficiaries of the Ebenhaeser housing project in Plettenberg Bay.
26.	4 March 2026	Roads4U app launch	Provincial Minister Tertuis Simmers launched the free Roads4U cell phone app, which enables residents to swiftly report road defects such as potholes, faded signage, vegetation overgrowth, and faulty traffic signals directly into the DOI's maintenance system.
27.	6 March 2026	Drakenstein title deed handover	A handover ceremony led by Provincial Minister Tertuis Simmers took place at the Mbekweni Thusong Centre and 31 residents received title deeds to their homes.
28.	14 March 2026	Masakh'iSizwe Bursary Programme awards ceremony	This event, presided over by Provincial Minister Tertuis Simmers, marked the 20th anniversary of the Masakh'iSizwe Bursary Programme and welcomed 58 new bursars who are studying for tertiary qualifications in infrastructure-relevant fields such as engineering and the built environment professions.
29.	24 March 2026	FNB title deeds handover, Cape Town	This was the third handover event in 2025/26 of title deeds as part of the First National Bank (FNB) and WCG partnership, which enables financially distressed beneficiaries to use approved housing subsidies to settle outstanding loan amounts on their homes. At this event, led by Provincial Minister Tertuis Simmers, these beneficiaries received unencumbered title deeds to their properties.
30.	24 March 2026	Budget speech expo and brunch	Provincial Minister Tertuis Simmers tabled a R9.86bn DOI budget for the 2026/27 financial year in the Western Cape Provincial Parliament. His speech was followed by a DOI expo and brunch event.

4.3 Overview of the financial results of the DOI Departmental receipts

Table 2 provides information on departmental receipts.

Table 2: Departmental receipts

Departmental receipts	2025/26			2024/25		
	Estimated amount R'000	Actual amount collected R'000	Over/ (under) collection R'000	Estimated amount R'000	Actual amount collected R'000	Over/ (under) collection R'000
Goods and services other than capital assets	106 174	222 079	115 905	101 959	192 882	90 923
Interest, dividends and rent on land	0	571	571	0	247	247
Sale of capital assets	15 962	53 620	37 658	5	10 072	10 067

Departmental receipts	2025/26			2024/25		
	Estimated amount R'000	Actual amount collected R'000	Over/ (under) collection R'000	Estimated amount R'000	Actual amount collected R'000	Over/ (under) collection R'000
Transactions in financial assets and liabilities	0	63 780	63 780	0	30 260	30 260
Transfers received	0	0	0	0	0	0
Total	122 136	340 050	217 914	101 964	233 461	131 497

An over-collection of R217.914m or 178.4 per cent was realised on departmental receipts for the 2025/26 financial year. Goods and services other than capital assets include lease revenue, rental income from houses, and receipts from the First Home Finance Programme (previously known as the Finance Linked Individual Subsidy Programme (FLISP)).

Interest revenue received relates to the accrual of interest during the process of acquiring properties.

The overcollection in the sale of capital assets item is mainly due to revenue received from the disposal of land for the development of the Conradie Park Better Living Model Exemplar Project (BLMEP) through its land availability and development agreement, sales of immovable property and sale of yellow fleet vehicles.

The increase in the item transactions in financial assets and liabilities is largely attributed to unspent monies received from municipalities from prior years.

Details of tariffs charged by the DOI

Tariffs determined at provincial level are described below:

- Leasing of State housing: the prescribed tariffs are applied as contemplated in the Public Finance Management Act (PFMA) (Act of 1999); and
- Leasing of government-owned buildings: as contemplated in the PFMA, agreements are entered into at market-related tariffs or at other tariffs approved by the Provincial Treasury.

Programme expenditure

Table 3 provides more detail on programme expenditure.

Table 3: Expenditure per Programme

Programme name	2025/26			2024/25		
	Final appropria-tion **R'000**	Actual expenditure **R'000**	(Over)/ under expendi-ture **R'000**	Final appropria-tion **R'000**	Actual expenditure **R'000**	(Over)/ under expenditure **R'000**
Administration	367 990	365 189	2 801	335 160	333 299	1 861
Public Works Infrastructure	2 636 060	2 634 742	1 318	2 386 648	2 386 648	-
Transport Infrastructure	5 396 808	5 201 747	195 061	5 678 832	5 098 066	580 766
Human Settlements	2 447 586	2 435 558	12 028	2 316 092	2 010 358	305 734
Community Based Programmes	79 602	79 602	0	75 004	75 004	-
Total	10 928 046	10 716 838	211 208	10 791 736	9 903 375	888 361

The DOI spent 98.1 per cent of its budget allocation for the year under review.

Programme 3: Transport Infrastructure

The majority of the Department's underspending relates to disaster funding received during the 2025/26 Adjusted Estimates process for the repair of flood-damaged infrastructure. Delays in statutory approval requirements impacted the implementation of disaster relief projects. The projects have been committed and a request for rollover has been submitted for the utilisation of funds in the 2026/27 financial year.

Programme 4: Human Settlements

The underspending on the Human Settlements Development Grant (HSDG) relates to the under performance by municipalities on the Title Deed Restoration Project.

*4.4 Non-**arm's length** transactions*

The Department provides buildings free of charge to the following departments and the entities reporting to these departments:

- Department of the Premier (Including the Children's Commissioner);
- Provincial Parliament;
- Provincial Treasury;
- Police oversight and Community Safety (including Police Ombudsman & Chrysalis Academy);
- Western Cape Education Department (including the School Evaluation Authority);
- Health and Wellness (including Hospital Facility Boards of Provincial Hospitals, National Health Laboratory Service, Red Cross Children's Trust and Cape Medical Depot);
- Western Cape Mobility Department;
- Social Development;
- Local Government;

- Rental Housing Tribunal;
- Environmental Affairs and Development Planning;
- Agriculture;
- Economic Development and Tourism;
- Cultural Affairs and Sport (including Artscape, Heritage Western Cape, Cultural Commission and World Anti-doping Agency (WADA);
- Provincial Regulating Entity (PRE);
- Provincial Transport Registrar;
- Government Motor Transport;
- Construction Industry Development Board;
- Western Cape Nature Conservation Board; and
- Higher education institutions (including University of the Western Cape, University of Cape Town, University of Stellenbosch, Cape Peninsula University of Technology and technical and vocational education and training colleges.

The Department provides parking spaces to government officials at approved fees that are not market related.

The Department receives corporate services from the Corporate Service Centre of the Department of the Premier in the Western Cape with effect from 1 November 2010 in respect of the following service areas:

- Information and cCommunication Technology;
- Organisation Development;
- Provincial Training (transversal);
- Human Resource Management;
- Enterprise Risk Management;
- Internal Audit;
- Provincial Forensic Services;
- Legal Services; and
- Corporate Communication.

The Department makes use of government motor vehicles managed by Government Motor Transport (GMT) based on tariffs approved by the Provincial Treasury.

The Department received Security Advisory Services and Security Operations from the Department of Police Oversight and Community Safety in the Western Cape.

4.5 Virements and rollovers

Virements

Table 4 provides details on virements effected in the year under review.

Table 4: Virements for 2025/26

Main Division from	To	R'000	Reason
1. Administration	2. Public Works Infrastructure	8 937	Costs related to Compensation of Employees.
	4. Human Settlements	3 573	Costs related to Compensation of Employees, transfer costs linked to the sale of First Home Finance (FHF) properties and the Western Cape Infrastructure Framework, Strategy and Implementation Plan 2050.
	5. Community-Based Programmes	1 275	Operational costs related to Skills Development Programmes.
2. Public Works Infrastructure	5. Community-Based Programmes	245	Transport costs related to EPWP Coordination and Compliance Monitoring.
3. Transport Infrastructure	1. Administration	112	Costs related to staff retirement and resignations.
	2. Public Works Infrastructure	7 491	Compensation of Employees and costs related to staff retirement and resignations.
	4. Human Settlements	3 476	Costs related to staff retirement and resignations and Western Cape Infrastructure Strategy and Implementation Plan 2050.
	5. Community-Based Programmes	6	Costs related to staff retirement and resignations.
5. Community-Based Programmes	4. Human Settlements	1 445	Costs related to Compensation of Employees.

Rollovers

Table 5 provides details on rollovers approved from 2024/25 to 2025/26.

Table 5: Rollovers approved from 2024/25 to 2025/26

Programme	R'000	Purpose
Programme 1: Administration	1 861	To provide for Project Preparation Facilities.
Programme 2: Public Works Infrastructure	4 438	To provide for Facility Condition Assessments (FCAs).
Programme 3: Transport Infrastructure	12 190	To provide for capital transfers to Matzikama and Theewaterskloof municipalities for construction works.
	557 542	To provide for infrastructure reconstruction and rehabilitation resulting from disasters.
Programme 4: Human Settlements	1 217	To provide for solar geysers at Vredebes housing project in the Witzenberg municipality.
Total	577 248	

Revenue retention

Table 6 provides details on revenue retained from 2024/25 to 2025/26.

Table 6: Revenue retained from 2024/25 to 2025/26.

Programme	R'000	Purpose
Programme 2: Public Works Infrastructure	11 132	To provide for FCAs of provincially owned buildings.
Programme 3: Transport Infrastructure	3 680	To provide for the acquisition of construction equipment (yellow fleet).
Programme 4: Human Settlements	109 689	To provide funding toward the acceleration of housing delivery and for conveyancing fees relating to Human Settlements properties.
Total	124 501	

4.6 Unauthorised, irregular and fruitless and wasteful expenditure

The reasons for unauthorised, irregular and fruitless and wasteful expenditure identified in 2025/26, amounts involved, and steps taken to prevent recurrence are set out below.

Unauthorised expenditure

File number	Description	Amount	Corrective steps
-	-	Nil	n/a

Fruitless and wasteful expenditure

File number	Description	Amount	Corrective steps
-	-	Nil	n/a

Irregular expenditure

The table below shows the cases that emerged in 2025/26

File number	Description	Amount	Corrective steps
DOI/24-25/04	Non-compliance with s44 and s45 of the PFMA, TR 8.2.1 and TR 8.2.2	R1 113 818.14	Cautionary letters issued to the implicated officials
DOI25-26/01	Non-compliance with s44 of the former Department of Human Settlements AO Delegations	R6 019 219.48	Official resigned and his profile was flagged on PERSAL.

4.7 Strategic focus over the short to medium term period

DOI will take forward the legislative and policy work described below:

> Advancing internal technical capacity and institutional capability, including public-private partnerships (PPPs).

PPPs provide a mechanism for the public and private sectors to work together to design, construct, maintain and fund infrastructure. PPPs are governed by Treasury Regulation 16 and the Public Finance Management Act. The PPP project cycle comprises four stages and National Treasury (NT) approval must be obtained at every stage, as indicated below.

Approval stage	Description
TA I	NT approval for the project feasibility study.
TA II A	NT approval for the procurement documentation, including the draft PPP agreement.
TA II B	NT approval for the report that demonstrates how the three PPP criteria were applied in the evaluation of the bids, how they were satisfied in the preferred bid, and any other information the NT requires.
TA III	NT approval of the PPP agreement that certifies the project meets all the requirements of Treasury Regulation 16.

Source: Schedule of NT approvals for Public Private Partnerships.

Project	Treasury approval stage				Comment
	TA I	TA IIA	TA II B	TAIII	
Chapman's Peak Drive				X	Chapman's Peak Drive continues to operate as a toll road in terms of the Western Cape Toll Roads Act, 1999 (Act 11 of 1999). The concession agreement runs until 2033.

Property partnerships

Founders' Garden/ Artscape Precinct

This project aims to maximise social housing within a high-rise, residentially led mixed-use development in the Cape Town central business district (CBD). Initially included as part of the project deliverable, the upgrades to the Artscape complex had to be removed after receiving legal advice that it could not be included. During the period under review a Request for Proposals (RFP) was advertised to procure a developer to deliver the project as a mixed use, mixed income development. The bid period had to be extended after requests from bidders. The bid is currently in the evaluation phase which includes bid compliance checking, as well as functionality scoring before qualifying bids move on to the final phase.

Conradie Park Better Living Model Exemplar Project (BLMEP)

Considerable progress has been made at Conradie Park – the Western Cape's first BLMEP project. During the period under review, construction almost concluded on Phase 2 of the social housing component, with 3 of the 4 blocks handed over and the 4th block undergoing final inspections. Construction on the retail center has continued but was delayed after negotiations with the proposed owner were not finalised. They are in the process of being resolved after the required Conditions Precedents are achieved.

Apex Schools have signed an agreement to open a new school in 2027 and have opened 2 temporary classrooms for Grade 1 and Grade 8.

The issues of uncharted services on the servitude required for the construction of the Aerodrome Bridge have been resolved, and the developer is in the process of

applying for the required USDG funding to move these services and begin construction of the bridge.

Leeuloop Precinct

The request for proposals was advertised during the year under review and closed after an extension which was requested by the bidders. The evaluation process has concluded and was approved by the Bid Adjudication Committee (BAC) and Provincial Property Committee (PPC). A submission to approve the preferred bidder will be presented to Cabinet, whereafter negotiations and a Western Cape Land Administration Act (WCLAA) public participation process will follow.

4.8 Discontinued activities

None.

4.9 New or proposed activities

None.

4.10 Supply Chain Management (goods and services)

The DOI has continued to apply its Accounting Officer System as a primary mechanism to promote sound governance within its Supply Chain Management (SCM) system. This ensures value for money, open and effective competition, ethics, accountability, effective and reliable reporting, while ensuring that procurement activities remain fair and equitable. Collectively these measures contribute to maintaining the integrity of the Department's SCM system.

During the 2025/2026 financial year, no unsolicited bids were received or awarded.

The DOI made extensive use of a standardised contract for goods and services. The Department continued to implement the requirements to publish bid advertisements, cancellations, and awards on the National Treasury's e-Portal or on the Construction Industry Development Board (CIDB) register of contracts, the i-Tender System.

Risks and challenges to SCM in the year under review are summarised below:

- Ongoing delays in the finalisation and implementation of the transversal Integrated Financial Management System continued to affect the efficiency of SCM reporting and limited progress towards reducing administrative burdens for suppliers and contractors engaging with government; and
- The absence of a single, standardised infrastructure procurement and project management system constrained the optimisation of infrastructure procurement processes and limited end-to-end efficiencies across the project lifecycle.

Suppliers and contractors were required to comply with both the Western Cape Supplier Evidence Bank (WCSEB) and the National Treasury's Central Supplier Database (CSD). The parallel use of these systems increased compliance demands on suppliers and required additional verification effort by the Department.

Changes to the requirements for the submission of information on the CSD resulted in increased compliance requirements for the DOI.

4.11 Gifts and donations received in kind from non-related parties

None.

4.12 Exemptions and deviations received from National Treasury

There were no exemptions or deviations received for the year under review.

4.13 Events after the reporting date

A wide-spread weather-related flood disaster was declared in May 2026, which resulted in damage to multiple infrastructure assets, and the full extent of the impact is still being assessed.

4.14 Other

There are no other matters to report.

4.15 Acknowledgement

The Department hosted its Long Service Awards ceremony on 27 November 2025 to recognise and celebrate employees whose years of dedicated service have contributed significantly to strengthening the public service. During the event, Provincial Minister Tertuis Simmers presented certificates to 83 officials in acknowledgement of 10, 20, 30, and 40 years of service. The ceremony served as an opportunity to express appreciation for the commitment, professionalism, and valuable contributions these employees have made throughout their careers.

Number of long-serving officials	10 years	20 years	30 years	40 years	Total
2025/26	47	25	4	7	83

4.16 Conclusion

I would like to thank every employee who contributed to the successes of the Department during the year. The Annual Financial Statements (AFS), as set out on pages 260 to 327, are hereby approved.



Adv. Chantal Smith
Accounting Officer
Department of Infrastructure
Date: 31 August 2026

5 Statement of responsibility for and confirmation of accuracy of the Annual Report

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

- All information and amounts disclosed in the Annual Report are consistent;
- The Annual Report is complete, accurate and free from any omissions;
- The Annual Report has been prepared in accordance with the guidelines on the Annual Report issued by National Treasury;
- The Annual Financial Statements (Part F) have been prepared in accordance with the Modified Cash Standard and the relevant frameworks and guidelines issued by NT;
- The Accounting Officer is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information;
- The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources (HR) information and the AFS
- The external auditors are engaged to express an independent opinion on the AFS; and
- In my opinion, the Annual Report fairly reflects the operations, the performance information, the HR information and the financial affairs of DOI for the financial year ended 31 March 2026.

Yours faithfully



Adv. Chantal Smith
Accounting Officer
Department of Infrastructure
Date: 31 August 2026

6 Strategic overview

6.1 Vision

The Department's vision is:

> To enable infrastructure-led growth and investment for the Western Cape that will benefit the communities we serve.

6.2 Mission

The Department's mission is:

> To pursue tirelessly the delivery of infrastructure that is: resilient, inclusive, safe and seeks to heal, skill, integrate, build social cohesion, connect, link and empower Western Cape citizens, driven by passion, ethics and a steadfast commitment to the environment with our residents as our cornerstone.

6.3 Values

The core values of the WCG, to which the Department subscribes, are depicted in Figure 1.

Figure 1: Core values of the WCG



Source: Provincial Strategic Plan (PSP) 2025-2030

These values are all underpinned by teamwork. A detailed explanation of the meaning of each core value follows in Table 7.

Table 7: Detailed explanation of the meaning of each core value of the WCG

Value	Behavioural statement
Caring	We endeavour to understand people's needs and pay attention to them; We will show respect for others; We will treat staff members as more than just workers and value them as people; We will empathise with staff members; We will emphasise the positive features of the workplace; and We will provide constructive criticism when needed.

Value	Behavioural statement
Competence	We will endeavour to ensure that staff members can do the tasks they are appointed to do, that they internalise the Department of Infrastructure's values, and that they always strive for excellence; We will deliver on our outcomes and targets with quality work, within budget, and on time; We will strive to achieve the best results in the service of all the people in the Western Cape; and We will work together to meet our constitutional and electoral mandate commitments.
Accountability	We fully understand our objectives, roles, delegations, and responsibilities; We are committed to delivering all agreed outputs on time; We will hold each other accountable in the spirit of mutual trust in honouring all our commitments; and As individuals, we take responsibility for and ownership of our outcomes and accept the consequence of failure to do so.
Integrity	We will seek a greater understanding of the truth in every situation and act with integrity at all times; We will be honest, show respect, and practice positive values; We will be reliable and trustworthy, at all times, doing what we say we will do; and We will act with integrity at all times and in all instances, ensuring that we remain corruption-free.
Innovation	We seek to implement new ideas, create dynamic service options and improve services; We strive to be creative thinkers who view challenges and opportunities from all possible perspectives; We are resident-centric and can consider all options and find a resourceful solution; We value employees who question existing practices, renew, rejuvenate and improve them; We foster an environment where innovative ideas are encouraged and rewarded; We understand mistakes that are made in good faith, and allow employees to learn from them; and We solve problems collaboratively to realise our strategic organisational goals.
Responsiveness	We will take public opinion seriously, listening to and hearing the voice of the residents (more listening and less talking); We will respond to all situations timeously, always asking ourselves whether it is the right response, where we could go wrong, and how we can provide better service; We will engage collaboratively with each other, our stakeholders, and the media, providing full information; and We will strive to achieve the best results for the people we serve and to act on their feedback.

In addition, the DOI subscribes to an ethos that defines who we are and what we stand for. The ethos depicted in Figure 2 complements the values of the Department.

Figure 2: Ethos of DOI



Source: Ministerial Priorities, MTEC (Medium Term Expenditure Committee) 2, January 2023

Through the five-year period of the current DOI Strategic Plan 2025/26–2029/30 and beyond, the Department aims to progress from having embodied good governance, to directional governance, and ultimately transformative governance, in the process, fully realising its vision and mission. The DOI strives to be an ethical organisation, deeply committed to sustainability and the realisation of a social contract between the organisation, its staff and the people of the Western Cape. In aspiring to do so, the Department is acutely aware of the pressures that will be brought to bear on its staff and the people of the province as the socio-economic "conditions we operate in continue" to be hugely challenging.

7 Legislative and other mandates

The DOI's mandate is derived from the Constitution of the Republic of South Africa, 1996, (hereafter referred to as the Constitution) and the Constitution of the Western Cape, 1998 (Act 1 of 1998). Certain mandates are concurrent responsibilities, while others were exclusively the responsibility of the provincial sphere of government. These mandates, as well as those derived from the functional legislation and policies, are outlined below.

Function	Legislation
Infrastructure and property management	Critical Infrastructure Protection Act, 2019 (Act 8 of 2019) Provides for the identification and declaration of infrastructure as critical infrastructure; provides for guidelines and factors to be taken into account to ensure transparent identification and declaration of critical infrastructure; provides for measures to be put in place for the protection, safeguarding and resilience of critical infrastructure; provides for the establishment of the Critical Infrastructure Council; provides for the administration of the Act under the control of the National Commissioner; provides for the powers and duties of persons in control of critical infrastructure; provides for reporting obligations; and provides for the repeal of the National Key Points Act, 1980, and related laws.
	Community Scheme Ombud Service Act, 2011 (Act 9 of 2011) Provides for the establishment of the Community Schemes Ombud Service; for its mandate and functions; for a dispute resolution mechanism in community schemes; and for related matters.
	Infrastructure Development Act, 2014 (Act 23 of 2014) Provides for the facilitation and coordination of public infrastructure development which is of significant economic or social importance to the Republic; ensures that infrastructure development in the Republic is given priority in planning, approval and implementation; ensures that the development goals of the State are promoted through infrastructure development; improves the management of such infrastructure during all life-cycle phases, including planning, approval, implementation and operations; and provides for related matters.
	Government Immovable Asset Management Act, 2007 (Act 19 of 2007) (GIAMA) Promotes government's service delivery objectives through the sound management of immovable assets they use or control. GIAMA stipulates the responsibilities of the user and those of the custodian which, in the Western Cape, is the DOI.
	Home Loan and Mortgage Act, 2000 (Act 63 of 2000) Promotes fair lending practices, which requires disclosure by financial institutions of information regarding the provision of home loans; establishes an Office of Disclosure; and provides for related matters.
	Housing Act, 1997 (Act 107 of 1997) Aims to provide for the facilitation of a sustainable housing development process by: laying down general principles applicable to housing development in all spheres of government; defining the functions of national, provincial and local governments in respect of housing development; providing for the establishment of a South African Housing Development Board; providing for the continued existence of provincial boards under the name of provincial housing development boards; providing for the financing of national housing programmes; repealing certain laws; and providing for related matters.
	Housing Consumer Protection Measures Act, 1998 (Act 95 of 1998) Makes provision for the protection of housing consumers, provides for the establishment and functions of the National Home Builders' Registration Council; and provides for related matters.
	Housing Development Agency Act, 2008 (Act 23 of 2008) Establishes the Housing Development Agency; provides for its functions and powers; and provides for related matters.
	National Building Regulations and Building Standards Act, 1977 (Act 103 of 1977) Requires the DOI, as custodian and regulator of the built environment in the Western Cape, to ensure that all building and construction work on government property complies with the law.

Function	Legislation
	National Heritage Resources Act, 1999 (Act 25 of 1999) Introduces an integrated and interactive system for the management of the national heritage resources, sets down general principles for governing heritage resources management, introduces an integrated system for the identification, assessment and management of heritage resources, and enables the provinces to establish heritage authorities which must adopt powers to protect and manage certain categories of heritage resources. Requires the DOI to subject properties identified for development or regeneration activities to comprehensive heritage impact assessments (where these are required by the Act) and an approval process to preserve the heritage aspects of the properties in question.
	Prevention of Illegal Eviction from and Unlawful Occupation Act, 1998 (Act 19 of 1998) Provides for the prohibition of unlawful eviction; provides procedures for the eviction of unlawful occupiers; repeals the Prevention of Illegal Squatting Act, 1951, and other obsolete laws; and provides for related matters.
	Rental Housing Act, 1999 (Act 35 of 2014) Sets out the rights and obligations of tenants and landlords in a coherent manner; requires leases to be in writing; requires MECs (provincial ministers) to establish rental housing tribunals; extends the powers of rental housing tribunals; provides for an appeal process; requires all local municipalities to have rental housing information offices; and provides for norms and standards related to rental housing.
	Sectional Titles Management Act, 2011 (Act 8 of 2011) Provides for the establishment of bodies corporate to manage and regulate sections and common property in sectional titles schemes and, for that purpose, apply rules applicable to such schemes; and establishes a sectional titles schemes management advisory council.
	Spatial Planning and Land Use Management Act (SPLUMA), 2013 (Act 16 of 2013) Provides a framework for spatial planning and land use management in the Republic; specifies the relationship between spatial planning and the land use management system and other kinds of planning; provides for inclusive, developmental, equitable and efficient spatial planning in the different spheres of government; provides a framework for the monitoring, coordination and review of the spatial planning and land use management system; provides a framework for policies, principles, norms and standards for spatial development planning and land use management; addresses past spatial and regulatory imbalances; promotes greater consistency and uniformity in the application procedures and decision-making by authorities responsible for land use decisions and development applications; provides for the establishment, functions and operations of municipal planning tribunals; and provides for the facilitation and enforcement of land use and development measures.
	Social Housing Act, 2008 (Act 16 of 2008) Establishes and promotes a sustainable social housing environment; defines the functions of national, provincial and local governments in respect of social housing; provides for the establishment of the Social Housing Regulatory Authority (SHRA) to regulate all social housing institutions (SHIs) obtaining or having obtained public funds; allows for the undertaking of approved projects by other delivery agents with the benefit of public money; and gives statutory recognition to SHIs.
	Western Cape Housing Development Act, 1999 (Act 6 of 1999) Provides for the promotion, facilitation and financing of housing facilities in the Western Cape.

Function	Legislation
Transversal legislation	Western Cape Land Administration Act, 1998 (Act 6 of 1998) Provides for the acquisition of immovable property and the disposal of land that vests in the WCG, and for the management of incidental matters. The DOI is responsible for continually updating the asset and property register, procuring additional properties that may be required, and relinquishing or redeveloping properties that fall into disuse.
	Western Cape Land Use Management Act, 2014, (Act 3 of 2014) Amends the Western Cape Housing Development Act, 1999 to provide for the abolition of the Western Cape Housing Development Board; provides for the establishment of an advisory panel to advise the Provincial Minister on housing matters; regulates the transfer of assets of the Western Cape Housing Development Board; and provides for incidental matters.
	Basic Conditions of Employment Act, 1997 (Act 75 of 1997) Gives effect to fair labour practices referred to in section 23(1) of the Constitution by establishing and making provision for the regulation of basic conditions of employment, and thereby to comply with the obligations of the Republic as a member state of the International Labour Organization.
	Basic Conditions of Employment Act, 1997 (Act of 1997): Ministerial Determination 4: EPWP, gazetted 4 May 2012 Contains the standard terms and conditions for workers employed in elementary occupations in an Expanded Public Works Programme project.
	Broad-Based Black Economic Empowerment (BB-BEE) Act, 2003 (Act 53 of 2003) Establishes a legislative framework for the promotion of BB-BEE; empowers the Minister to issue codes of good practice and to publish transformation charters; and establishes the Black Economic Empowerment Advisory Council.
	Competition Act, 1998 (Act 89 of 1998) Provides for the establishment of a Competition Commission responsible for the investigation, control and evaluation of restrictive practices, abuse of dominant position, and mergers; for the establishment of a Competition Tribunal responsible for adjudicating such matters; for the establishment of a Competition Appeal Court; and for related matters.
	Construction Industry Development Board Act, 2000 (Act 38 of 2000) Establishes the CIDB which is responsible for, among other things, developing the industry for the improved delivery of infrastructure to the South African public; working with all stakeholders for the sustainable growth of construction enterprises and the best practice of employers, contractors and the professions; identifying best practice and setting national standards; and promoting common and ethical standards for construction delivery and contracts.
	Consumer Protection Act, 2008 (Act 68 of 2008) Constitutes an overarching framework for consumer protection. All other laws which provide for consumer protection (usually within a particular sector) must be read together with the Act to ensure a common standard of protection. This Act applies to all suppliers of goods and services.
	Control of Access to Public Premises and Vehicles Act, 1985 (Act 53 of 1985) Provides for the safeguarding of certain public premises and vehicles and the protection of the people therein or thereon, and related matters.
	Division of Revenue Act (DORA) An annual Act of Parliament which provides, inter alia, for the equitable division of revenue anticipated to be raised nationally among the national, provincial, and local spheres of government and for conditional grants to provinces to achieve the government's policy objectives. It further promotes predictability and certainty in respect of all allocations to provinces and municipalities so that such administrations can plan their budgets over a multi-year period.

Function	Legislation
	Employment Equity Act, 1998 (Act 55 of 1998) Aims to achieve equity in the workplace by: 1) promoting equal opportunity and fair treatment in employment through the elimination of unfair discrimination; and 2) implementing affirmative action measures to provide redress for the disadvantages in employment experienced by designated groups, and to ensure their equitable representation in all occupational categories and levels in the workforce.
	Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005) Provides for the establishment of a framework for the national government, provincial governments, and local governments to promote intergovernmental relations; mechanisms and procedures to facilitate the settlement of intergovernmental disputes; and for related matters.
	Labour Relations Act, 1995 (Act 66 of 1995) Enables the DOI to advance economic development, social justice, labour peace, and the democratisation of the workplace by giving effect to the purpose of the Act, which includes providing a framework within which employees and their trade unions, employers and employers' organisations can collectively bargain to determine wages, terms and conditions of employment and other matters of mutual interest; effectively resolve labour disputes, and provide for employee participation in decision-making in the workplace.
	Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) Provides for the core principles, mechanisms and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities and ensure universal access to essential services that are affordable to all; provides for how municipal powers and functions are exercised and performed; provides for community participation; and establishes a framework for support, monitoring and standard-setting by other spheres of government to progressively build local government into an efficient, frontline development agency capable of progressively integrating the activities of all spheres of government for the overall social and economic upliftment of communities in harmony with their local natural environment.
	National Environmental Management Act, 1998 (Act 107 of 1998) Provides for cooperative environmental governance by establishing principles for decision making on matters affecting the environment, institutions that promote cooperative governance, and procedures for coordinating environmental functions exercised by organs of state; and provides for related matters.
	Occupational Health and Safety Act, 1993 (Act 85 of 1993) Requires the DOI, as custodian and regulator of the built environment, to ensure that all building and construction work on government property, irrespective of whom it is undertaken by, complies with this legislation and that the structures remain compliant throughout their life cycle.
	Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000) Provides that an organ of state must determine its preferential procurement policy and implement a preference points system whose aims may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination based on race, gender or disability.
	Prevention and Combating of Corrupt Activities Act, 2004 (Act 12 of 2004) Provides for the strengthening of measures to prevent and combat corruption and corrupt activities.
	Promotion of Access to Information Act, 2000 (Act 2 of 2000) (PAIA) Fosters a culture of transparency and accountability in public and private bodies by giving effect to the right of access to information (provided by section 32 of the Constitution) and actively promoting a society in which people have effective access to information to enable them to more fully exercise and protect all their rights.

Function	Legislation
	Promotion of Administrative Justice Act, 2000 (Act 3 of 2000) (PAJA) Gives effect to section 33 of the Constitution which provides that everyone has the right to administrative action that is lawful, reasonable, and procedurally fair. Anyone whose rights have been adversely affected by administrative action has the right to be given reasons. PAJA deals with general administrative law and therefore binds the entire administration at all levels of government.
	Protection of Personal Information Act, 2013 (Act 4 of 2013) Promotes the protection of personal information processed by public and private bodies; introduces certain conditions to establish minimum requirements for the processing of personal information; provides for the establishment of an Information Regulator to exercise certain powers and to perform certain duties and functions in terms of this Act and PAIA; provides for the issuing of codes of conduct; provides for the rights of persons regarding unsolicited electronic communications and automated decision making; regulates the flow of personal information across the borders of the Republic; and provides for related matters.
	Provincial Archives and Records Service of the Western Cape Act, 2005 (Act 3 of 2005) Preserves archival heritage for use by the government and people of South Africa, and promotes efficient, accountable, transparent government through the proper management and care of government records.
	Public Finance Management Act, 1999 (Act 1 of 1999) (PFMA) Supports transparency, accountability, and sound management of the revenue, expenditure, assets, and liabilities of the department.
	Public Service Act, 1994 Proclamation 103 published in Government Gazette 15791 on 3 June 1994 This is the principal act governing public administration. It provides an administrative and operational framework for government departments by providing guidelines on employment and human resource practices, i.e., conditions of employment, terms of office, discipline, retirement, discharge of members of the public service, and related matters.
	Public Administration Management Act, 2014 (Act 11 of 2014) Promotes the basic values and principles governing the public administration referred to in section 195(1) of the Constitution; provides for the transfer and secondment of employees in the public administration; regulates conducting business with the State; provides for capacity development and training; provides for the establishment of the National School of Government; provides for the use of information and communication technologies in the public administration; and provides for the Minister to set minimum norms and standards for public administration.
	Skills Development Act, 1998 (Act 97 of 1998) Provides an institutional framework to devise and implement national, sector and workplace strategies to develop and improve the skills in the workplace, and to integrate those strategies in the National Qualifications Framework (NQF). As the lead employer, the DOI has to ensure compliance with the employer's duties in terms of the workplace agreement and to ensure the implementation of the agreement in the workplace. Through the EPWP, the DOI implements learnership and skills development programmes for participants in artisan-related fields.
	Radio Act, 1952 (Act 3 of 1952) Controls radio activities and related matters.
	Western Cape Land Use Planning Ordinance Amendment Act, 2009 (Act 1 of 2009) Regulates land use planning in the Western Cape and related matters.

Function	Legislation
	Western Cape Procurement Act, 2010 (Business Interests of Employees) (Act 8 of 2010) The Act restricts the business interests of employees of the WCG and provincial public entities, as well as members of controlling bodies of such entities, in entities conducting business with the WCG and provincial public entities. The Act provides for the disclosure of such interests and incidental matters.
	Western Cape Monitoring and Support of Municipalities Act, 2014 (Act 4 of 2014) Gives effect to sections 154(1) and 155(6) of the Constitution by making further provisions for measures to support municipalities, to develop and strengthen the capacity of municipalities, and to improve their performance. Also gives effect to section 106(1) of the Local Government: Municipal Systems Act by providing for the monitoring of suspected non-performance and maladministration in municipalities, and for related matters.

In the main, the national and provincial policies and strategies described below guide the DOI in discharging its responsibilities.

Function	Policies
Transport	White Paper on National Transport Policy, 1996 Deals with safe, reliable, effective, efficient, and fully integrated transport operations and infrastructure. These should meet the needs of freight and passenger customers in a way that supports government strategies for economic and social development while also being environmentally and economically sustainable.
	Road Access Guidelines Provides guidelines to assist practising engineers and planners, as well as property developers, to develop acceptable road access standards.
	Road Infrastructure Strategic Framework for South Africa (RISFSA) Provides guidelines for the redefinition of the South African road network and assists road authorities to reclassify existing road networks
	Western Cape Policy Statement on Transport for Special Needs Passengers, 2009 Places certain responsibilities on the Department to: • Encourage the incremental accessibility of rail infrastructure and provide training to operators and their staff on dealing sensitively with special needs persons; and • Ensure that all new public transport facilities cater for special needs persons.
Public Works and Property Management	Construction Industry Development Board: National Immovable Asset Maintenance Management Standard, 2017 Establishes a system of principles or practice specifications for the management and care of immovable assets after initial construction or acquisition: • To derive maximum value from these assets; • To protect the investment made in public sector immovable assets and ensure business continuity; and • In support of economic development, social upliftment and environmental sustainability for the benefit of all people in South Africa.
	National Infrastructure Plan 2050 (NIP) The NIP 2050 envisages the development government-wide capacity to design and launch partnerships with the private sector, thereby eliciting an enthusiastic appetite for investment by the private sector and global development funders; and aims to promote dynamism in infrastructure delivery, address institutional blockages and weaknesses that hinder success over the longer term, as well as guide the way towards building stronger institutions that can deliver on NDP aspirations.

Function	Policies
	International Infrastructure Management Manual, 2006, 2011, 2015 Promotes best management practices for all infrastructure assets regardless of ownership or location.
	Infrastructure Delivery Management System (IDMS) A government management system for planning, budgeting, procurement, delivery, maintenance, operation, monitoring and evaluation of infrastructure. The IDMS is designed to be linked to the Medium-Term Expenditure Framework, and has a strong focus on outcomes, value for money and the effective and efficient functioning of the procurement and delivery management system in compliance with relevant legislation. It includes a supply chain infrastructure planning system as well as operations and maintenance systems.
	Framework for Infrastructure Procurement and Delivery Management (FIPDM) Focuses on governance decision-making points as well as alignment and functions to support good management of infrastructure delivery and procurement processes.
	Western Cape Provincial Government White Paper on the Management of Provincial Property, 2004 Provides a framework to guide activities relating to fixed properties of the WCG and other properties the WCG uses and encourages coordination with the property management activities of other public and civil society role players in the province.
	Western Cape Infrastructure Framework 2050 Sets out the vision and strategic framework for infrastructure in the Western Cape and frames its role in the immediate, medium and long-term; and aims to enable infrastructure-led growth and investment for the Western Cape that will benefit the communities the DOI serves.
Human settlements	Breaking New Ground – A Comprehensive Plan for the Development of Sustainable Human Settlements, 2004 BNG remains the national government's policy framework for housing. It provides for several programmes, which were formulated as strategic objectives: • Stimulating the residential property market; • Spatial restructuring and sustainable human settlements; • A social (medium density) housing programme; • An informal settlement upgrading programme; • Institutional reform and capacity building; • Housing subsidy funding system reforms; and • Housing and job creation. BNG also provides the policy impetus for assigning the housing function to municipalities. The policy states that a framework should be established "to address various legislative and policy gaps to enable municipalities to manage the full range of housing instruments within their areas of jurisdiction".
Expanded Public Works Programme	Guidelines on the Implementation of the EPWP The EPWP's objective is to create short- and medium-term work opportunities for the poor and unemployed as part of the government's anti-poverty strategy. These work opportunities are combined with training to increase the employability of low-skilled beneficiaries in the formal employment market. The programme targets opportunities in the infrastructure, environment, culture, and social and non-state sectors.

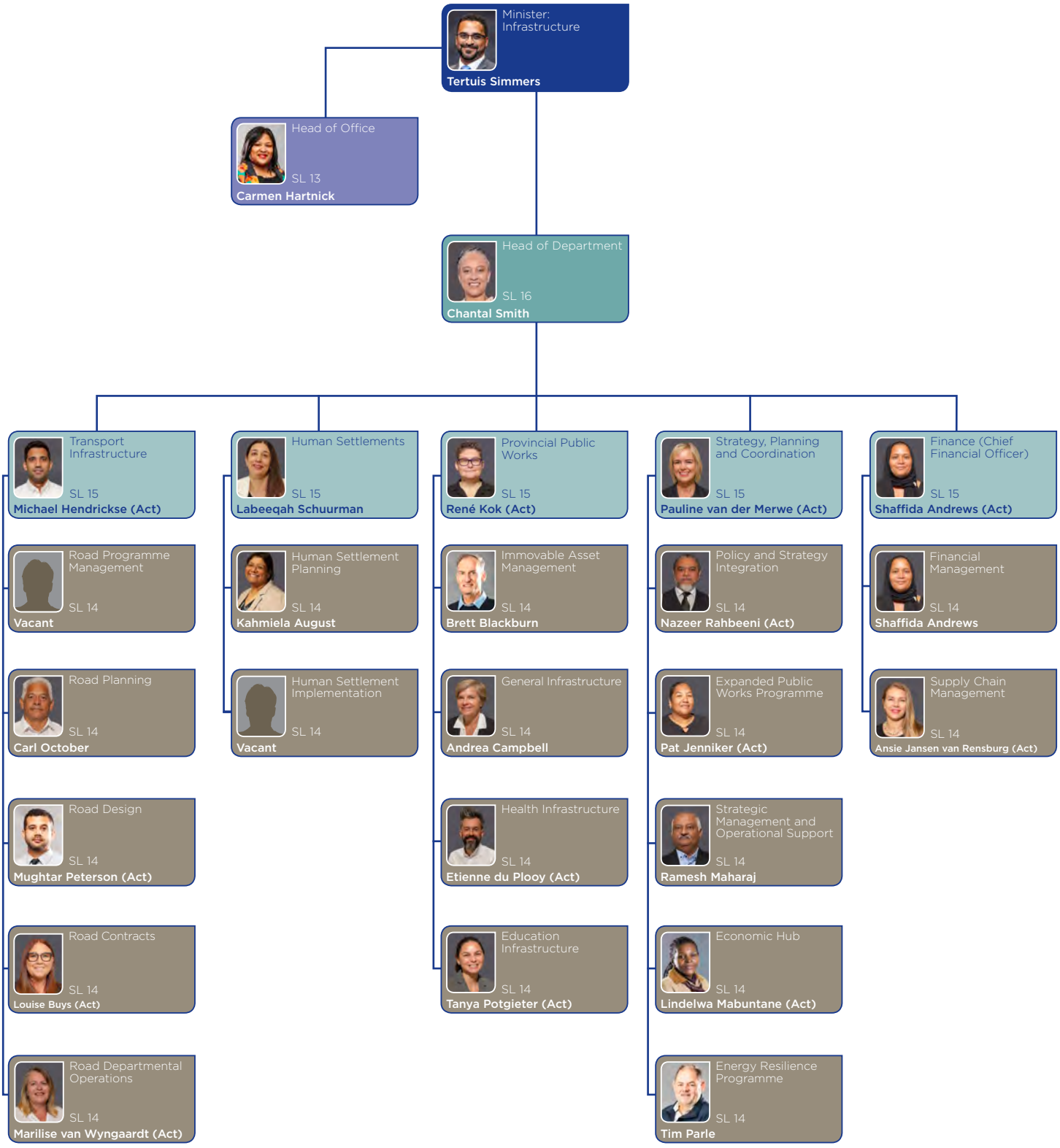
Function	Policies
National Youth Service	Guidelines on the Implementation of the National Youth Service (NYS) Provides that the implementation of youth programmes is the responsibility of all the institutions of government. The responsibility for planning, coordinating and initiating effective and innovative strategies for youth development therefore resides equally with the National Youth Commission and individual government departments in the national and provincial spheres.
Transversal	National Development Plan 2030: Our Future: Make it Work The NDP is South Africa's long-term development plan. It aims to eliminate poverty and reduce inequality by 2030. It envisages these goals to be realised by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnership throughout society.
	Revised Framework for Strategic Plans and Annual Performance Plans Provides direction to national and provincial government institutions in respect of short- and medium-term planning; institutionalises the government's national development planning agenda through institutional plans; provides planning tools for the different types of plans; and outlines the alignment between planning, budgeting, reporting, monitoring and evaluation.
	National Spatial Development Framework 2050 The National Spatial Development Framework (NSDF) is a strategic long-term spatial plan towards a preferred future in 2050. The NSDF is legally mandated by the Spatial Planning and Land Use Management Act, 2013, and has to be aligned with the National Development Plan 2030. The Framework provides: • A visual representation of the desired national spatial development pattern for the country; • A set of national spatial directives for all forms of infrastructure investment and development spending in the country; and • A series of national strategic spatial areas for targeted investment by government and the private sector.
	Budget Prioritisation Framework Seeks to establish a systematic basis for making strategic choices among competing priorities and limited resources, to better optimise budgets as a key lever for driving the NDP.
	Provincial Strategic Plan, 2025–2030 The 2025-2030 PSP sets out the Western Cape WCG's strategic priorities and goals for a five-year period. It provides overarching direction for government action, focusing on people-centred outcomes that drive meaningful change for residents.
	Growth for Jobs Strategic Framework The G4J Framework aims to enable private sector led economic growth by creating a conducive business environment, overcoming binding constraints, supporting growth opportunities, and stimulating market growth. Infrastructure prioritisation is critical to stimulate short term employment, economic growth and social development.

Function	Policies
	Growth for Jobs (G4J) Strategy, 2035 The G4J Strategy replaced all other economic strategies in the Western Cape and is informed by a strategic framework that has been endorsed by the Provincial Cabinet. The G4J Strategy is a whole-of-government, all-of-society strategy whose success requires the energy, commitment and allocation of resources from across government, the private sector and civil society. The G4J Strategy aims to promote private sector-led growth by fostering a favourable business environment, addressing key obstacles, and unlocking market opportunities. Prioritising infrastructure is critical for stimulating short-term employment, economic growth, and social development. The G4J Strategy seeks to address the high unemployment rate by achieving significant economic growth.
	Framework for Managing Programme Performance Information (FMPPI) 2007 The aims of the FMPPI are to: • Improve integrated structures, systems and processes required to manage performance information; • Clarify definitions and standards for performance information in support of regular audits of such information where appropriate; • Define roles and responsibilities for managing performance information; and • Promote accountability and transparency by providing Parliament, provincial legislatures, municipal councils and the public with timely, accessible and accurate performance information.
	Departmental Monitoring and Evaluation Framework and Manual Describes what monitoring and evaluation entails, as well as monitoring and evaluation systems and tools for results-based management.
	National Treasury Asset Management Framework v3.3, 2003 Provides broad guidelines for asset management.
	Provincial Spatial Development Framework (PSDF) The framework seeks to guide, the overall spatial distribution of current and desirable land uses within a municipality to give effect to the vision, goals and objectives of municipal integrated development plans. The PSDF seeks to improve the effectiveness of public investment in the Western Cape's built and natural environments by: • adopting credible spatial planning principles to underpin all capital investment programmes; and • spatially targeting and aligning various investment programmes to open opportunities for community and business development in targeted areas.
	South African Statistical Quality Assessment Framework (SASQAF) 2010 2nd ed. This is the official Statistics South Africa guide for data producers and assessors regarding the quality of statistics across eight dimensions: relevance, accuracy, timeliness, accessibility, interpretability, comparability and coherence, methodological soundness, and integrity.
	Western Cape Government Transversal Management System Aims to achieve measurable outcomes through the facilitation of sectoral clusters addressing issues transversally with individual line departments as the implementing agents and manages the implementation of the Provincial Strategic Priorities transversally throughout the WCG. The Executive Project Dashboard is the information management tool for the system.
	Departmental Records Management Policy Provides the foundation for a corporate culture of responsibility for the management of information and records as an essential requirement for effective service delivery.

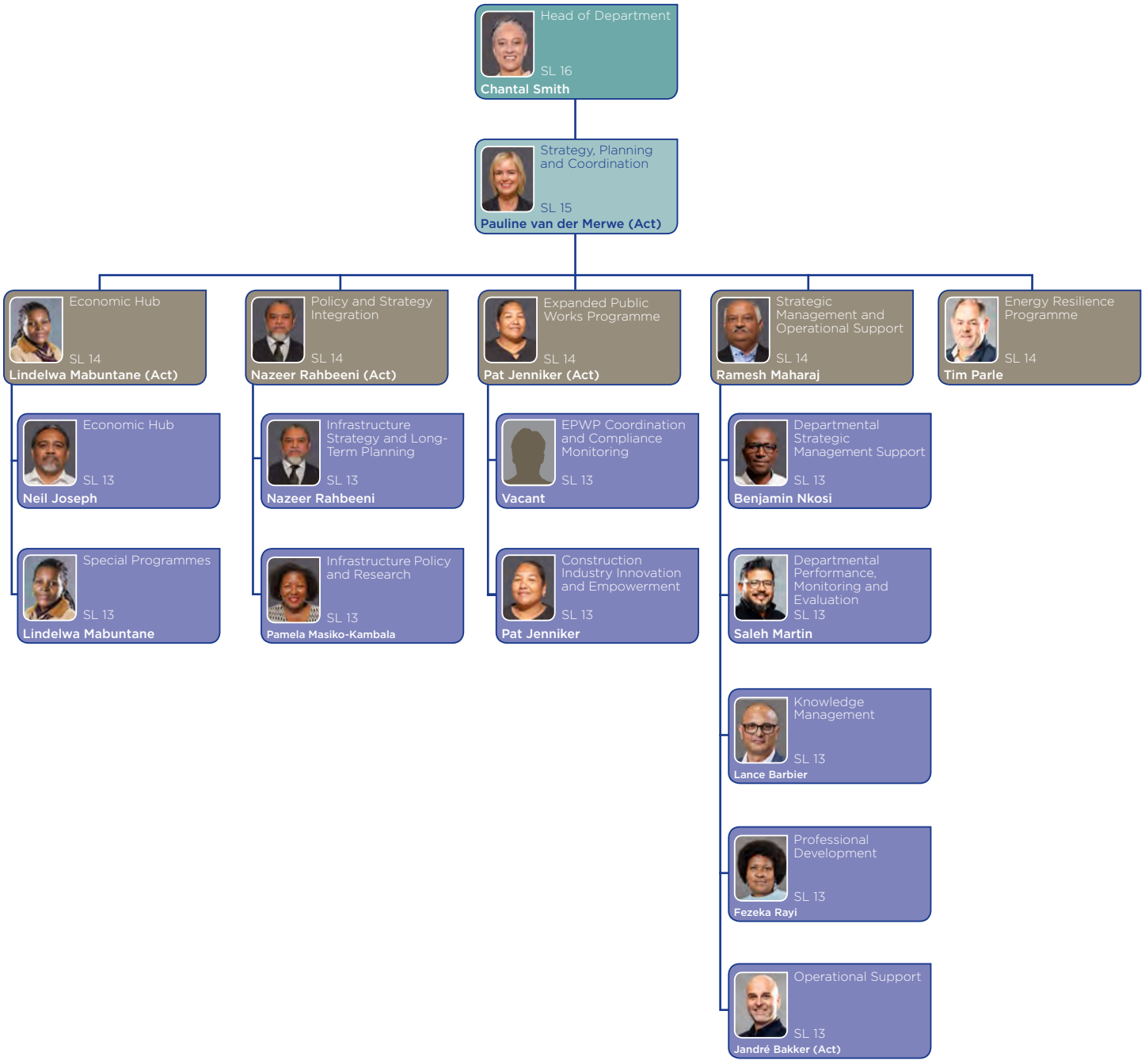
Function	Policies
	White Paper on Human Resource Management, 1997 Focuses on the essential role of developing and transforming human resource capacity to meet the goals of efficient service delivery and transforming public service.

8 DOI macro-organisational structure as at 31 March 2026

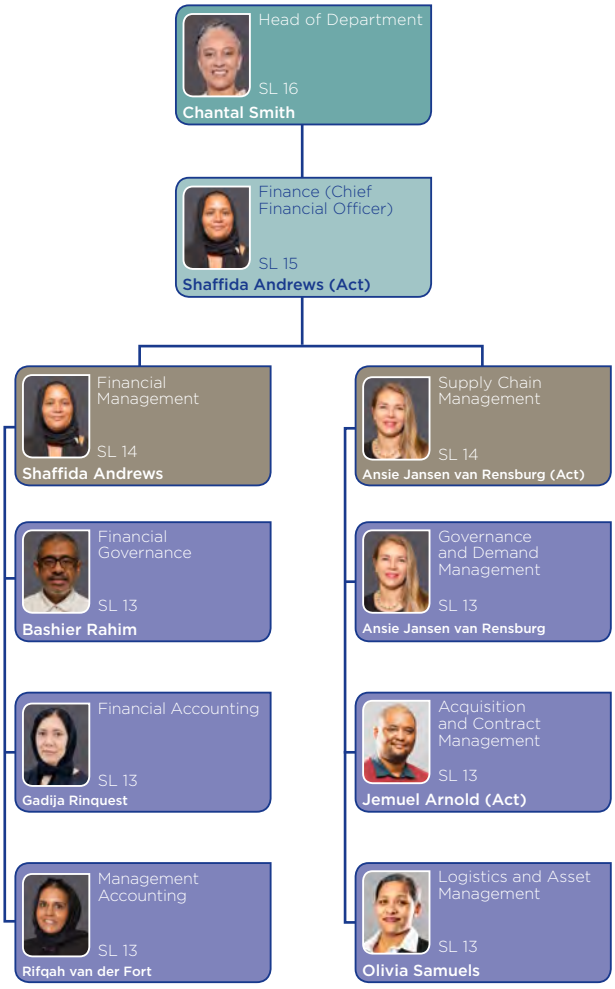
Extended Top Management



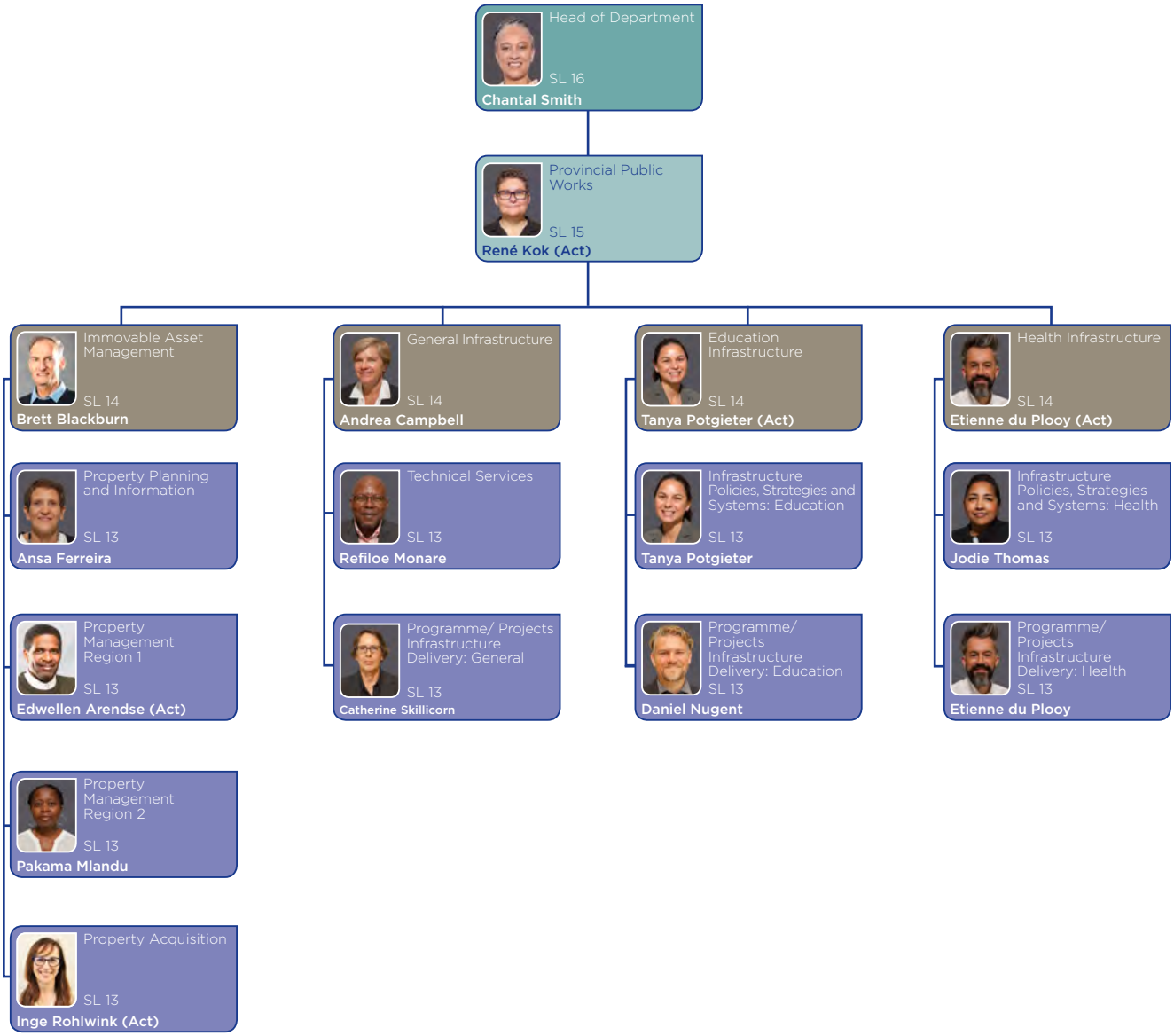
Branch: Strategy, Planning and Coordination



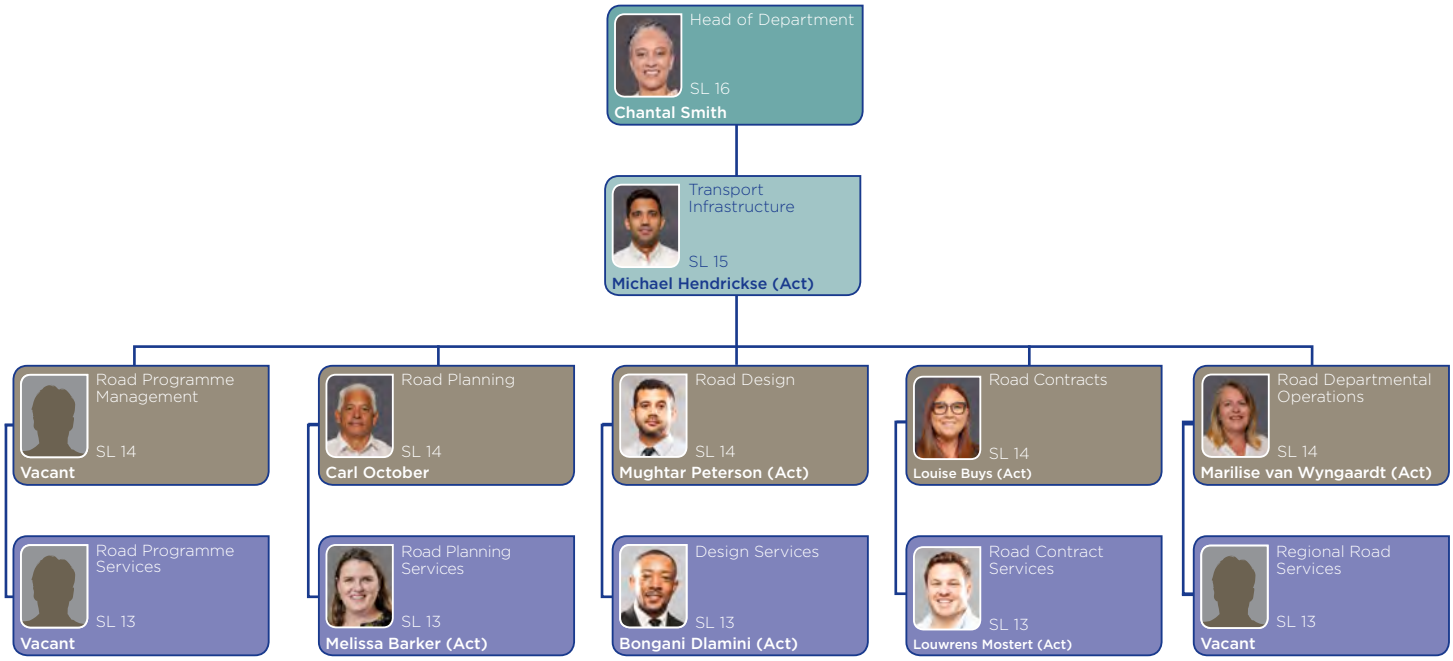
Branch: Finance



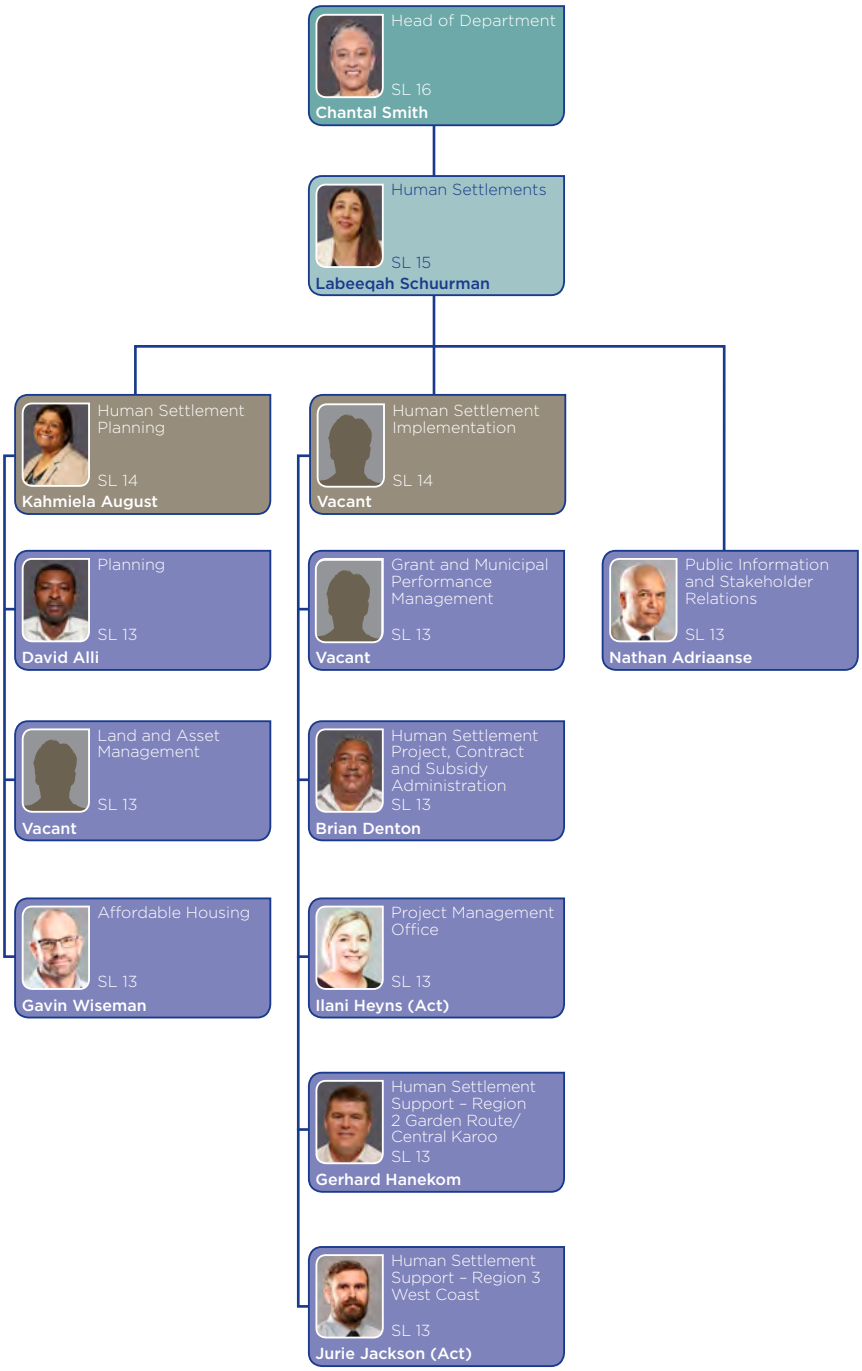
Branch: Provincial Public Works



Branch: Transport Infrastructure



Branch: Human Settlements



9 Entities reporting to the Provincial Minister

The DOI was not responsible for any public entities in the year under review.



PART B

Performance information

Part B: Performance Information

1 Auditor-General's report: Predetermined objectives

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

Refer to page 250 for the Report of the Auditor-General, published in Part F: Financial Information.

2 Overview of departmental performance

2.1 Service delivery environment

The main services of the DOI are:

Main service	Key functions
Administrative Services	Provide strategic, policy and operational support within the Department. Provide financial management and supply chain services within the Department. Facilitate the development of provincial, departmental strategies, policies, and plans. Manage the Professional Development Programme to develop scarce skills in the engineering, built environment and other infrastructure-related fields. Provide bursaries for individuals undertaking tertiary studies in the engineering, built environment and other infrastructure-related fields.
Public Works Infrastructure	Acquire and dispose of immovable assets. Help ensure optimal utilisation of provincially owned properties. Lease property to provide accommodation. Provide accommodation services to provincial departments and entities. Construct and maintain health, education, and general building facilities. Create job opportunities and economic empowerment through infrastructure provision.
Transport Infrastructure	Plan, design, construct, rehabilitate and maintain the provincial road network. Provide learnerships and graduate development programmes. Provide diesel mechanic apprenticeships. Provide technical support services. Create job opportunities and promote economic empowerment through infrastructure delivery.

Main service	Key functions
Human Settlements	Deliver sustainable and integrated human settlements, including construction and maintenance. Formulate policy and administer conditional grants, including human settlements infrastructure and asset management. Promote sustainable integrated human settlement development in the Western Cape.
Community-Based Programmes/ Expanded Public Works Programme	Coordinate the EPWP in the Western Cape. Facilitate programmes to develop emerging contractors. Offer construction-related skills development opportunities, including apprenticeships for artisanal skills.

Key service delivery challenges

During the year under review, a number of challenges hindered the DOI's service delivery.

- Lengthy statutory approval processes, including environmental, water use and heritage approvals, continued to impact the timing of implementation of certain road and infrastructure projects.
- The Department continued to address infrastructure damage resulting from prior flood events in the Western Cape. This required the reprioritisation of resources towards recovery and repair projects, resulting in the deferment of certain planned projects. A number of affected roads still require permanent repair works, which remain dependent on the availability of adequate funding and will extend over multiple financial years.
- Factors outside the Department's control that affected its ability to deliver sustainable human settlements and other infrastructure included instances of extortion by "development forums", gangsterism, violence, land invasions and service delivery protests in communities. These factors severely hampered service delivery and added further strain to an already constrained budget, as additional security had to be procured to protect sites and contractors. These issues are not new or unique to the DOI, and they are becoming more common across many public service delivery departments.

The Department seeks to overcome these challenges by improving its planning, management, governance and accountability systems.

Key service delivery achievements per service

Service: Provide property partnership through the Economic Hub

During the period under review, two tenders were advertised for the procurement of developers for the proposed Leeuloop Precinct and Founders' Garden for mixed use and mixed income developments including social housing.

Development rights for the proposed mixed-use and mixed-income housing development on the Provincial Pavement Testing Laboratory site on the Foreshore were approved by the City of Cape Town (CoCT).

These achievements are a step closer to facilitating the provision of affordable housing in the CBD for the residents of the Western Cape.

A programmatic market engagement was initiated to ascertain market conditions which may enhance or diminish developers' interest in the bids issued for these mixed-use and mixed-income developments.

Service: Facilitate programmes to develop emerging contractors

The Contractor Development Programme implemented various training programmes:

- Construction information sessions were presented to 150 emerging contractors from across the Western Cape in partnership with DOI's SCM component, Provincial Treasury, the National Department of Public Works and Infrastructure, the South African Revenue Service (SARS), the Department of Economic Development and Tourism (DEDAT), the Construction Industry Development Board, the Building Industry Bargaining Council, the National Home Builders' Registration Council (NHBRC), the National Youth Development Agency, the Small Enterprise Development Finance Agency (SEDFA), the Department of Employment and Labour, and local municipalities. Each of these one-day sessions provided participating contractors wanting to be eligible to tender for government contracts with the information they need to be able to comply with applicable government regulations and policies;
- Twenty-five CIDB Grade 1 potentially emerging (PE) and Grade 2 contractors in the CoCT completed the eight-month structured training accredited by the Construction Education and Training Authority (CETA);
- A further 20 emerging contractors from the West Coast completed the eight-month structured training;
- Ten emerging contractors from the Cape Winelands District started the eight-month structured training;
- Eighteen emerging contractors from CoCT started the eight-month structured training;
- Advanced training and mentoring support were provided to 19 CIDB Grade 3 to Grade 5 contractors in the year under review; and
- Twenty emerging contractors participated in a ten-day Enterprise Development training in the Garden Route.

The National Youth Service (NYS) in Construction Programme is a national initiative that aims to provide unemployed youth with opportunities to participate in the built environment and construction industries. Youths are placed in a 12-month programme to acquire skills in various construction-related disciplines that could enhance their ability to gain employment or become self-employed.

In 2025/26, through its skills development programmes, the DOI enrolled youth in learnership programmes, apprenticeship programmes and artisan programmes as detailed in Tables 8, 9 and 10.

Table 8: NYS Learnership Programme 2025/26

Learnership trade	Total	Gender		Race				People with disabilities
		M	F	A	C	I	W	
Painting	13	5	8	9	4	0	0	0
Plant Operator	8	5	3	1	7	0	0	0
Roadworks	14	8	6	3	11	0	0	0
Bricklaying	32	20	12	21	11	0	0	0
Health and Safety	20	9	11	13	7	0	0	0
Carpentry	15	10	5	6	9	0	0	0
Electrical	23	10	13	15	8	0	0	0
Plumbing	21	16	5	10	11	0	0	0
Surveying	20	10	10	8	12	0	0	0
Sub-Total	166	93	73	86	80	0	0	0

Table 9: NYS School of skills Programme 2025/26

School of Skills Learnership	Total	Gender		Race				People with disabilities
		M	F	A	C	I	W	
Siviwe - Gugulethu	15	10	5	15	0	0	0	15
Axios - Eersterivier	15	11	4	4	11	0	0	15
CAFDA - Retreat	28	25	3	3	25	0	0	28
De Grendel - Milnerton	14	10	4	9	5	0	0	14
Westcliff - Bellville	13	11	2	7	6	0	0	13
Sub-Total	85	67	18	38	47	0	0	85

Table 10: NYS Artisan Programme 2025/26

Trades	**Total**	**Gender**		**Race**				**People with disabilities**
		M	**F**	**A**	**C**	**I**	**W**	
Electrical	20	11	9	12	8	0	0	0
Plumbing	21	10	11	9	12	0	0	0
Bricklaying	10	6	4	4	6	0	0	0
Sub-Total	51	27	24	25	26	0	0	0

Service: Create jobs and economic empowerment through infrastructure provision

The DOI's Empowerment Impact Assessment (EMPIA) tool informs the design and construction process of specific departmental projects worth more than R10m, and it measures the potential impact a construction project could have on the local community. In the year under review, 13 EMPIAs were initiated on planned departmental infrastructure projects. Twenty-three projects were monitored, and the results made available through empowerment target implementation reports (ETIRs). The Community Based Programme/ EPWP component provided support to implementing DOI directorates at 23 community engagements during the year under review. Three Community Liaison Officer and Social Facilitation skills training events took place in 2025/26.

Service: Offer transport mechanic-related apprenticeships

To become qualified artisans, apprentices undergo a four-year period of formal and practical training, prescribed examinations, and practical assessment by the Manufacturing, Engineering and Related Services Sector Education and Training Authority (MERSETA).

During the 2025/26 financial year, no new artisan training intake was undertaken as the Department progressed the finalisation of the revised provincial roads delivery model and associated training approach. The artisan development programme will resume once these arrangements are concluded.

Service: Manage the Road Graduate Development Programme (RGDP) to facilitate the proper training and retention of graduates in the transport and engineering fields

The RGDP of the Branch: Transport Infrastructure, which facilitates the structured training and retention of graduates with the support of internal mentors continued in the year under review. Eight graduates who participated in the RGDP registered as professionals with the Engineering Council of South Africa (ECSA) of whom seven have secured permanent employment in the DOI. The Branch also contracted eleven new graduates to join the RGDP in 2025/26. These included three technicians, five technologists, one engineer, one Geographic information system (GIS) candidate, and one Occupational Health and Safety (OHS)candidate, who support in-house design, construction and maintenance work.

Service: Provide bursaries for deserving students through the Masakh'iSizwe Bursary Programme

The Masakh'iSizwe Bursary Programme provides financial assistance to deserving youth to pursue full-time studies towards a degree or diploma in the engineering or built environment disciplines at higher education institutions (HEIs) within the Western Cape. The University of Western Cape is excluded, as it does not offer engineering or built environment qualifications.

During the 2025/26 financial year, the DOI awarded 58 new bursaries, increasing the total number of Masakhi'iSizwe bursary recipients to 156.

Table 11: **Masakh'iSizwe bursaries** 2025/26

Discipline	Total	Gender		Race				People with disabilities
		M	F	A	I	C	W	
Architecture	10	7	3	2	0	6	2	3
Civil Engineering	89	34	55	56	1	23	9	2
Construction Studies/Management	8	1	7	7	0	1	0	0
Electrical and Electronic Engineering	8	5	3	3	0	3	2	0
Electronic and Computer Engineering	2	1	1	0	1	1	0	0

Discipline	Total	Gender		Race				People with disabilities
		M	F	A	I	C	W	
Electrical Engineering	3	0	3	2	0	1	0	0
Geomatics	2	1	1	1	0	1	0	0
Mechanical Engineering in Mechatronics	5	2	3	2	0	3	0	1
Mechanical Engineering	14	6	8	6	1	3	4	1
Mechanical Engineering in Renewable Energy	1	1	0	1	0	0	0	1
Mechatronics	2	2	0	1	0	1	0	0
Property Studies	5	2	3	3	0	2	0	1
Quantity Surveying	4	3	1	4	0	0	0	0
Urban and Regional Planning	3	3	0	1	0	2	0	0
Total	156	68	88	89	3	47	17	9

M=male; F=female; A=African; I=Indian; C=coloured; W=white.

Service: Provide, construct and maintain accommodation for provincial departments

Education facilities

During 2025/26 the DOI continued to deliver facilities for the Western Cape Education Department (WCED) in its ongoing efforts to increase accommodation for new learners entering the public school system in the Western Cape.

Two key projects achieved completion during the period under review.

- The new R78m Happy Valley Primary School No 2, which boasts 36 classrooms, including 4 specialist classrooms and 4 Grade R classrooms for a maximum enrolment of 1 240 learners, was completed in November 2025; and
- The new R138m Concordia Primary School, which boasts 30 classrooms, including 4 specialist classrooms and 2 Grade R classrooms for a maximum enrolment of 1 240 learners, was completed in June 2025.

In addition, the DOI is currently in the process of replacing facilities that are considered to be below serviceable condition, and facilities that were constructed from inappropriate materials. During 2025/26, one of the focus areas of the Minor Capital Works (MCW) programme was the close-out of mobile school, fencing, ablution and Mass Participation, Opportunity and Access, Development and Growth Centre (MOD) Centre projects.

In addition, the MCW programme concluded the following MOD Centre projects:

- Lentegeur Phase 1 at a cost of R7.1m which was completed in November 2025;
- Bastiaanse Secondary School Phase 2 at a cost of R8.1m which was completed in December 2025;
- Imizamo Yethu Secondary School Phase 2 at a cost of R16.1m which was completed in December 2025;
- Lavender Hill High School Phase 2 at a cost of R4.7m which was completed in January 2026; and

- Cornflower Primary School Phase 2 at a cost of R7.6m which was completed in January 2026.

The DOI also worked to ensure that the condition of the approximately 1 500 existing public-school facilities in the portfolio remain fit for purpose through ongoing scheduled maintenance activities. During the course of the financial year under review, the DOI completed scheduled maintenance works at Grassy Park Early Childhood Primary School, Gamka Oos Primary School and Le Chasseur VGK Primary School.

Health facilities

During the year under review, the DOI continued to contribute to improving health and wellness outcomes in the province by providing health infrastructure for the Western Cape Department of Health and Wellness (WCDHW).

Several key projects achieved completion during the 2025/26 financial year:

- The new R105m Ravensmead Community Day Centre (CDC) was completed in February 2026, three months ahead of planned completion.
- Additions and alterations at Bothasig Community Day Centre were completed in December 2025. This R22.4m project aimed to improve service delivery and patient care.
- The R86m mental health unit at Eerste River Hospital was completed in November 2025, bringing much-needed capacity to the facility to respond to mental health cases.
- A R19.2m project at Mitchells Plain Hospital was completed in January 2026 to rationalise and replace fire doors at the facility.
- A number of significant infrastructure upgrades at Tygerberg Hospital were completed including a R35m rehabilitation of the hot water system in June 2025, a R159m upgrade to the 11kV (Medium Voltage) and 400V (Low Voltage) network in August 2025, followed by the completion of the R84m replacement of chillers project in October 2025.
- Three phases of a heating, ventilation and air-conditioning (HVAC) refurbishment at Groote Schuur Hospital with a total value of R128m were completed in October 2025 and December 2025. The R19m pneumatic tube system overhaul at the facility was completed in December 2025.
- At Worcester Hospital, a memorandum of understanding for a R14m relocation was completed in June 2025 with the fire compliance project achieving completion in February 2026.

Various maintenance projects were completed including the modernisation of lifts at New Somerset and Groote Schuur Hospital including general maintenance at Orchard Clinic.

General infrastructure

During the 2025/26 financial year, several notable projects achieved completion, including:

- A R58.1m office refurbishment, upgrades and remediation of the head office of the Department of Social Development in the Cape Town CBD;

- Repairs and upgrades to the Khayelitsha Shared Services Centre at a project cost of R40.24m;
- A R22.6m external facade repair of 9 Dorp Street, Cape Town;
- A R39.7m general repairs project at the Worcester Old Waaihoek Social Development building;
- The refurbishment and reconfiguration of the 4th and 5th floors of 9 Dorp Street. This refurbishment included the rationalisation of shared spaces, the relocation of open plan areas in order to optimise the number of workstations and enable hot desking options on these floors; and
- Hybrid energy solutions comprising solar photovoltaic (PV) and battery energy storage systems were installed at various general facilities including child and youth care centres (CYCCs), research farms and shared services centres in the total amount of R64.7m.

Service: Reduce water and electricity consumption in WCG facilities

The DOI continues to embed water demand-side management interventions in new and existing infrastructure and accommodation across the health, education and general property portfolios. The supply-side localised groundwater supply systems established during the 2017/18 water crisis to improve water security and resilience at certain identified critical service delivery facilities were still operational where it made economic and strategic sense to keep this higher level of water resilience active. Others were temporarily decommissioned to reduce operational costs for the time being.

Work on the departmental time-of-use metering platform module in the eMerge Asset Information Management System progressed well in the year under review. Access to time-of-use metering of water and electricity consumption data is essential for effective behaviour change and leak detection programmes.

Accurate and timely consumption data was also utilised in the production and publication of the 14th edition of the annual Property Efficiency Report (PER), which covered the 2024/25 financial year. This publication reported on, among other key performance metrics, water consumption and efficiency in a defined portfolio of buildings in the Western Cape and was a key driver for demand-side management improvements. Water consumption during the 2024/25 reporting period decreased from 0.63kL/m²/pa to 0.62kL/m²/pa, reflecting a 1.6 per cent year-on-year decrease. The office portfolio continued to outperform the private sector benchmark figure of 0.76kL/m²/pa by 18.4 per cent over the same period.

The 2024/25 PER featured 34 health facilities, and 60 education facilities. The health facility sample comprised 21 hospitals with a floor area of between 1 041m² and 365 210m² and 13 clinics with a floor area of between 150m² and 730m². The education study sample comprised 60 facilities (37 primary schools and 23 high schools) which were 1 180m² to 32 692m² in size. During the reporting period, all heath facilities collectively recorded an average water consumption rate of 1.17kL/m²/pa, reflecting an overall decrease in water use across the sector. Hospitals demonstrated the most substantial improvement in water efficiency with consumption decreasing from 1.60kL/m²/pa to 1.17kL/m²/pa. This reduction of 26.9 per cent highlights successful water conservation efforts within hospitals,

driven by the adoption of efficiency measures such as low-flow fixtures, water recycling initiatives, and enhanced leak detection systems.

Water consumption in all education buildings increased during the reporting period. High schools showed a decline in water efficiency from 0.74kL/m²/pa in 2023/24 to 0.83kL/m²/pa in 2024/25. Primary schools have maintained a consistent performance, with water consumption showing only a slight increase from 0.61kL/m²/pa in 2023/24 to 0.62kL/m²/pa in 2024/25.

Service: Build energy infrastructure and increase energy resilience in the Western Cape

South Africa's electricity system continues to undergo a period of structural transition, shaped by historical underinvestment, reform of the national energy market, and the rapid expansion of alternative generation capacity. By 31 March 2026, the country had achieved 317 consecutive days without national load shedding, supported by sustained improvements in generation performance and an energy availability factor that remained consistently above 65 per cent during the 2025/26 financial year. This fell short of the national target of 70 per cent. While this represents a significant national milestone, material risks remain due to the ageing generation fleet, constrained transmission capacity, and uneven distribution network performance.

For the Western Cape, where key economic sectors are energy-intensive, a reliable electricity supply therefore remains a critical enabler of economic competitiveness, investment and employment.

In response, the WCG continued to advance the Energy Resilience Programme (ERP) as a coordinated, whole-of-government response to residual electricity supply risk. The Programme, which commenced in the 2022/23 financial year, focuses on enabling new generation, strengthening municipal capability, improving grid readiness and positioning the province for long-term energy security in alignment with national reforms. During the 2025/26 financial year, the DOI played a central implementing role, delivering a portfolio of earmarked projects spanning municipal independent power producer (IPP) procurement, project preparation, system planning, private sector enablement and flexible technical capacity.

Municipal IPP procurement remained a cornerstone of the Department's work. The Stellenbosch Municipal Independent Power Producer Procurement (MIPPP) Programme continued as a flagship intervention, supporting the procurement of up to 50MWp of solar photovoltaic generation from one or more independent power producers, together with a 15MWh battery energy storage system, connected to the municipal distribution network. The request for proposals was issued on 29 March 2025, with bid submissions closing on 30 September 2025. Strong market participation demonstrated private-sector appetite for compliant municipal IPP procurement.

During the evaluation phase, differing interpretations of bidder clarification processes temporarily delayed progress. These risks were actively managed through escalation to senior municipal leadership, legal substantiation and structured steering committee oversight. Financial impacts were addressed through budget adjustments and rephasing, while overall project value was preserved through the early delivery of knowledge

products. Lessons-learned guidance was produced and disseminated provincially, with several procurement templates subsequently adopted by other municipalities. This demonstrated the robustness and replicability of the project.

Strong governance arrangements underpinned delivery throughout implementation. Regular engagement structures included weekly project status meetings, bi-weekly funder and client engagements, quarterly steering committee meetings and ongoing transaction advisor coordination. These structures ensured transparency, accountability and early identification of emerging risks.

Building on the Stellenbosch experience, the Energy Project Preparation Facility expanded significantly and consolidated its role as a key provincial support mechanism for municipal energy projects. The Facility addressed systemic municipal capacity constraints by providing structured transaction advisory and specialist support to progress projects from concept to bankability. During the year, project readiness reports were delivered and approved by Council in the Swartland and George municipalities, enabling progression to procurement documentation development. Advisory support was also provided to Saldanha Bay Local Municipality, with additional municipalities entering the pipeline and receiving departmental support. Despite sensitivities linked to municipal governance cycles and political transitions, the Facility demonstrated effective portfolio-level financial and delivery management.

Strategic system-level planning progressed in parallel through work focused on upgraded transmission and distribution infrastructure. This work strengthened the province's evidence-based understanding of grid constraints through municipal engagements, iterative development of a provincial energy and grid infrastructure dashboard, and high-level power-flow analysis. Outputs informed future feasibility studies for grid upgrades and storage solutions and contributed directly to the Provincial Integrated Resource Plan led by the Department of the Premier (DotP).

The Department also advanced private-sector enablement, with a particular focus on municipal electricity wheeling. Through targeted interventions, including participation in the National Energy Crisis Operational Committee (NECOM) processes, delivery of a national municipal wheeling training programme and direct advisory support, the Department clarified wheeling mechanisms, addressed concerns regarding municipal financial impacts and positioned municipalities to pilot scalable wheeling arrangements.

Long-term system positioning was further strengthened through the Gas-to-Power workstream. The DOI established a clear, evidence-based provincial position on gas-enabled power, approved by Provincial Cabinet in May 2025, providing a consistent analytical foundation for engagement and planning. The project delivered scenario analysis to 2050, maintained a regional gas and energy project tracker, and produced regular Monthly Energy Intelligence Reports. Market developments, including renewed consideration of shale gas exploration, were assessed and incorporated, reaffirming the province's precautionary April 2017 position on shale gas exploration in the Karoo Basin until sufficient evidence supports a policy shift. This position was endorsed by the Integrated Energy and Water Council in September 2025.

Delivery across the portfolio was supported through the Additional Energy Capacity project, which provided flexible, on-demand technical and engineering expertise. This mechanism enabled continuity across multiple workstreams, supported municipal procurement, grid planning and gas-to-power analysis, and facilitated completion of a comprehensive investigation into the application of microgrid technology. The model proved effective in managing delivery risk and maintaining momentum, achieving 99.96 per cent budget utilisation.

Overall, during the 2025/26 financial year, the DOI materially strengthened the WCG's energy-resilience delivery capability. The portfolio reflects a deliberate shift from conceptual planning towards procurement execution, institutional learning and system-level positioning. While some initiatives remain subject to municipal and national decision-making processes, a strong foundation has been established for accelerated implementation and scaling in the 2026/27 financial year and beyond.

Service: Road infrastructure construction, upgrading and maintenance

The DOI's strategic spending during the year under review remained focused on the preventative maintenance and rehabilitation of ageing infrastructure, ensuring the continued provision of a safe, reliable, and efficient road network that supports economic and social development in the Western Cape.

The Department continued to explore alternative funding and delivery mechanisms for large strategic road projects that promote spatial transformation through the development of transport corridors. These initiatives support national and provincial development priorities and contribute to sustainable regional socio-economic growth.

Projects aimed at promoting economic growth progressed across various stages of implementation during the year. The preliminary design for the upgrading of the road network surrounding the N1/N7 Wingfield Interchange advanced as part of the development of the Cape Town Integrator. In addition, the upgrading of the N7 to freeway standards, forming part of the Northern Growth Corridor, reached multiple construction milestones following the commencement of construction in 2024/25.

The Department continued to implement flood damage repair projects arising from prior flood events. These projects form a significant component of the construction programme and focus on restoring damaged infrastructure and improving network resilience. Implementation of these projects will continue over multiple financial years, aligned to available funding and statutory approval processes. This has required the reprioritisation of resources towards reinstatement works, resulting in the deferment of certain planned preservation interventions.

The completion of the Malmesbury Bypass during the 2025/26 financial year enhanced regional mobility and supported more efficient freight movement by redirecting through-traffic away from the town centre.

The upgrading of Baden Powell Drive (R310) between Annandale Road and Polkadraai Road was also completed during the year under review. This route provides a key link between Stellenbosch and Cape Town and supports access to Cape Town International Airport, industrial areas, agricultural activities, and residential communities.

Construction of the second phase of Louis Fourie Road in Mossel Bay continued during the year under review, contributing to improved access and supporting economic development in the area.

The dualling of Main Road (MR)201 in Paarl, aimed at supporting development and improving traffic flow, was completed during the year under review and is contributing to improved mobility in the region.

Service: Innovation in information and communication technology

The NIP 2050 recognises communications infrastructure as a foundational enabler of a modern market economy, with digital communications increasingly central to economic participation, service delivery and social inclusion. As digital transformation becomes embedded across government and the private sector, the long-term benefits of building a digitally enabled society and economy continue to outweigh the associated investment costs.

The Western Cape is well positioned in this regard, supported by a mature and expanding telecommunications ecosystem. The province is strongly connected to neighbouring regions via the N1 and N2 corridors, with the latter significantly catalysed by the Western Cape Government's role as an anchor tenant in the broadband initiative. Fibre-to-the-home services continue to expand rapidly, supported by innovative low-cost delivery models that extend high-speed broadband to communities previously not served by fibre networks.

According to the Independent Communications Authority of South Africa's (ICASA) *State of the ICT Sector Report of South Africa*, published in March 2026, the Western Cape leads nationally in fixed broadband adoption, reflecting stronger infrastructure and urban connectivity. Wireless communications have also advanced, with 3G and 4G services ubiquitous in urban areas, growing 5G deployment, and continued expansion into rural areas. The report further indicates that the Western Cape has the highest 5G urban population coverage in the country. Public-sector connectivity is likewise strongest nationally, with households in the Western Cape reporting the highest access to the internet via public wi-fi, libraries and educational facilities.

South Africa's role as a continental connectivity hub has been further strengthened by the continued commissioning and expansion of high-capacity submarine cable systems along its coastline. By 2025, ten international submarine cables connected the country to Europe, Asia and other regions in Africa, with additional large-scale systems under development by global technology firms. These investments are increasing international bandwidth, improving redundancy and resilience, reducing latency and strengthening South Africa's attractiveness as a destination for data-intensive economic activity. The Western Cape, with multiple landing points along its coastline, benefits directly from this enhanced global connectivity, with critical nodes at Yzerfontein, Duynefontein and Melkbosstrand.

In parallel, the regional data-centre market experienced strong growth, positioning the Western Cape as an emerging secondary hub alongside Gauteng. Driven by cloud adoption, digital transformation and increasing demand for secure, low-latency data

services, operators continued to commission new facilities and expand existing capacity. International and local investors are increasingly attracted to the province due to its connectivity advantages, availability of renewable energy options and strong innovation ecosystem. This growth reinforces the Western Cape's role in supporting digital services, platform economies and data-driven enterprises serving both domestic and international markets.

2.2 Service Delivery Improvement Plan (SDIP)

The department has completed a Service Delivery Improvement Plan. The tables below describe the plan and achievements to date.

Main services

Main services	Beneficiaries	Current/ actual standard of service	Desired standard of service	Actual achievement
Key Service 1: Number of serviced sites completed	Citizens of informal settlements	693 serviced sites completed	1 000 serviced sites completed	1 358 serviced sites completed
Key Service 2: Number of kilometres of gravel roads upgraded to surfaced roads	Road users	11.43km of gravel roads upgraded to surfaced roads	6km of gravel roads upgraded to surfaced roads	22.7km of gravel roads upgraded to surfaced roads

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

Current/ actual arrangements	Desired arrangements	Actual achievements
Professional Standards 85% induction/ orientations provided to newly appointed officials.	Professional Standards 60% induction/ orientations provided to newly appointed officials.	Professional Standards 30% induction/ orientations were provided to newly appointed officials.
Working Environment Standards 43 OHS inspections conducted to ensure a safe working environment for officials at workplaces as per OHS regulations.	Working Environment Standards 21 OHS inspections conducted to ensure a safe working environment for officials at workplaces as per OHS regulations.	Working Environment Standards 21 OHS inspections were conducted to ensure a safe working environment for officials at workplaces as per OHS regulations.
Access Standards 100% access to all DOI service points during operational hours.	Access Standards 100% access to all DOI service points during operational hours.	Access Standards 100% access was available to all DOI service points during operational hours.
Information Standards Information sources available to citizens in 5 official documents.	Information Standards Information sources available to citizens in 6 official documents.	Information Standards Information sources were available to citizens in 6 official documents.

Current/ actual arrangements	Desired arrangements	Actual achievements
Redress Standards 85% of interactions resolved per quarter.	Redress Standards 95% of interactions resolved per quarter.	Redress Standards 99% of interactions were resolved per quarter.
Consultation Standards 17 engagements held with the public.	Consultation Standards 4 engagements held with the public.	Consultation Standards 33 engagements were held with the public.
Openness & Transparency Standards Information sources available to citizens in 5 official documents.	Openness & Transparency Standards Information sources available to citizens in 6 official documents.	Openness & Transparency Standards Information sources were available to citizens in 6 official documents.
Service Standards 1 Departmental Service Delivery Charter approved to highlight the service standards.	Service Standards 1 Departmental Service Delivery Charter approved to highlight the service standards.	Service Standards 1 Departmental Service Delivery Charter was approved to highlight the service standards.
Value for Money 100% of departmental services available to citizens at no cost.	Value for Money 100% of departmental services available to citizens at no cost.	Value for Money 100% of departmental services were made available to citizens at no cost.

Services delivery information tool

Current/ actual information tools	Desired information tools	Actual achievements
The Departmental Strategic Plan 2025/26–2029/30 was finalised in March 2025 and is available on the DOI website.	Departmental Strategic Plan.	The DOI Strategic Plan 2025/26 was finalised in March 2025 and is available on the DOI website. In addition, the Service Delivery Charter was finalised in March 2026 and is available on the DOI website.
The Annual Performance Plan 2025/26 was finalised in March 2025 and is available on the DOI website.	Annual Performance Plan.	The Annual Performance Plan 2026/27 was finalised in March 2026 and is available on the DOI website. In addition, the APP to Citizens 2026/27 was finalised in April 2026 and is available on the DOI website.
The Annual Report 2024/25 was finalised in September 2025 and is available on the DOI website.	Annual Report.	The Annual Report 2025/26 will be finalised in September 2026 and will be available on the DOI website.
The Citizens' Report 2024/25 was finalised in December 2025.	Citizens' Report.	The Citizens' Report 2025/26 will be finalised by December 2026.

Complaints mechanism

Current/ actual complaints mechanism	Desired information tools	Actual achievements
The Department addresses complaints in writing after an investigation has been conducted.	The Department addresses complaints in writing after an investigation has been conducted.	The Department addressed complaints in writing after investigations were conducted.

Table 12: Promotion of Access to Information Act applications granted in terms of section 46

No.	Detail of information requested	Date request received	Date extension granted to	Date request granted
DOI 8/6/2/01 of 2025/2026 - 01	Request for Information in Relation to Tender No: L064/24	29 April 2025	27 June 2025	12 June 2025
DOI 8/6/2/01 of 2025/2026 - 02	Interview Records – Post Reference: DOI 165/2024	02 May 2025	n/a	23 May 2025
DOI 8/6/2/01 of 2025/2026 - 03	Road Interchange Works on the N7 & the New Vissershok/ Van Schoorsdrift Site	20 May 2025	21 July 2025	11 July 2025
DOI 8/6/2/01 of 2025/2026 - 04	Land use rights/Approved building plans /penalties on land use rights and building violations	20 May 2025	n/a	12 June 2025 interdepartmental transfer
DOI 8/6/2/01 of 2025/2026 - 05	Request for Records Pertaining to Post Reference DOI 87/2023	20 June 2025	21 August 2025	27 August 2025 A courtesy email was sent to inform the applicant that the final submission is currently with the Office of the HOD for review and signature, and that feedback will be provided once the signed document has been received.
DOI 8/6/2/01 of 2025/2026 - 06	All wayleave agreements and other agreements with various service providers for optic fibre network installations	27 June 2025	n/a	22 July 2025

No.	Detail of information requested	Date request received	Date extension granted to	Date request granted
DOI 8/6/2/01 of 2025/2026 - 07	Report handed over to SAPS following the Western Cape Government Investigation on the cause of the Victoria Street Building collapse	01 July 2025	n/a	23 July 2025 The request was not granted, and the applicant was advised to request the report directly from the South African Police Service.
DOI 8/6/2/01 of 2025/2026 - 08	Beaufort West Weighbridge Data 2021 - 2025	07 July 2025	06 September 2025	14 August 2025
DOI 8/6/2/01 of 2025/2026 - 09	Details of Property Acquisition	09 July 2025	n/a	22 July 2025
DOI 8/6/2/01 of 2025/2026 - 10	Records Pertaining to Post Reference: DOI 42/2024	10 July 2025	n/a	31 July 2025
DOI 8/6/2/01 of 2025/2026 - 11	Records Pertaining to Post Reference: DOI 170/2024	10 July 2025	n/a	31 July 2025
DOI 8/6/2/01 of 2025/2026 - 12	Records Pertaining to Post Reference: DOI 203/2024	10 July 2025	n/a	31 July 2025
DOI 8/6/2/01 of 2025/2026 - 13	Acquisitions Register of Immovable Properties	13 August 2025	n/a	27 August 2025
DOI 8/6/2/01 of 2025/2026 - 14	DOI Rental Policy	25 August 2025	n/a	08 September 2025
DOI 8/6/2/01 of 2025/2026 - 15	Interview and Assessment records for 108/2024	18 September 2025	n/a	13 October 2025
DOI 8/6/2/01 of 2025/2026 - 16	Shortlisting and Interview Scoring Records for Post DOI 202/2024	27 September 2025	n/a	21 October 2025
DOI 8/6/2/01 of 2025/2026 - 17	Shortlisting Records for Post DOI 37/2025	31 October 2925	n/a	21 November 2025
DOI 8/6/2/01 of 2025/2026 - 18	Rental Housing Tribunal case EMATS: 2018/1106	11 December 2025	n/a	19 December 2025 The request was not granted, as the requested information does not exist.
DOI 8/6/2/01 of 2025/2026 - 19	Asbestos management and compliance across the departmental premises	30 January 2026	30 March 2026	27 March 2026
DOI 8/6/2/01 of 2025/2026 - 20	Bursary Information	23 February 2026	n/a	17 March 2026

3 Organisational environment

Organisational challenges

The Department of Public Service and Administration directive and determination on control measures on the Personnel and Salary System (PERSAL), that was introduced to assist Executive Authorities to operate within the approved financial ceilings when creating and filling vacant posts, was lifted nationally in March 2025. However, the Department of the Premier, through the Corporate Service Centre, has continued to implement similar control measures at provincial level.

While these measures promote fiscal prudence, they continue to contribute to administrative processes that impact the Department's ability to fill essential non-OSD (Occupation-Specific Dispensation) posts timeously, particularly direct service delivery posts such as road workers.

A further challenge relates to amendments introduced by the DPSA during the 2024/25 and 2025/26 financial years in respect of job evaluation processes, coupled with capacity constraints within the responsible Directorate. The revised process requires all posts previously evaluated on the EVALUATE system to be transposed onto the COMPENSATE EVALUATE system.

In addition, posts falling within the OSD, which previously did not require further administrative processes prior to advertisement, are now also required to be registered on the Department's Job Register before recruitment processes may commence.

Furthermore, identified posts within Programme 1 require an additional job evaluation confirmation process to be undertaken by the DPSA prior to advertisement. Collectively, these additional administrative requirements have, in certain instances, contributed to delays in the filling of posts of up to 18 months.

Organisational successes

In the 2025/26 financial year, the DOI made notable progress in advancing the province's growth and service-delivery agenda through a R9.83bn departmental budget, the development of bankable inner-city affordable housing projects expected to deliver a number of housing opportunities, the introduction of a new Provincial Roads Delivery Model to improve efficiency and value for money, and a commitment to upgrade 50 per cent of the provincial gravel road network to strengthen rural access and support the agricultural economy. These interventions reflect a focused effort to expand affordable housing, modernise road delivery, and support inclusive economic development across the province.

The DOI also recorded important progress through strategic partnership-building and collaborative engagements. The department placed strong emphasis on working with municipalities, the private sector, diplomatic and consular missions, and investors to unlock infrastructure delivery, while also advancing international cooperation through successful international engagements in areas such as infrastructure, logistics, trade, and investment. These partnerships reflect the Department's recognition that sustainable

infrastructure delivery depends not only on public investment, but also on coordinated collaboration across sectors and jurisdictions.

In addition to its infrastructure delivery agenda, the DOI strengthened its Corporate Social Investment (CSI) and Environmental, Social, and Governance (ESG) footprint through sustained community outreach and social investment initiatives. A notable example is the expansion of its Mandela Day effort into a year-long CSI programme, which included the donation of refurbished computers, laptops, and stationery to schools in Cape Town, with additional outreach activities taking place across several districts in the province. The department also used its Community Matters radio show and podcast to engage communities directly on housing, infrastructure, and youth opportunities, reflecting a broader commitment to social impact, public engagement, and inclusive development.

Empowerment and development programmes

The Department's commitment to youth capacity building and job creation was demonstrated through a range of ongoing programmes during the year under review. Beyond financial assistance, the Masakh'iSizwe Bursary Programme offers comprehensive support interventions to ensure bursars remain academically on track, including academic support, social integration assistance, employability skills and access to work placement opportunities.

In the 2025/26 financial year, a total of 37 Masakh'iSizwe bursars successfully completed their studies. Obtaining a qualification in the engineering and built environment fields represents an initial step towards professional registration. The statutory bodies that govern professions require graduates to undergo further training, receive mentorship, and gain sufficient experience to meet the training requirements for professional registration.

The Professional Development Programme partners with the private sector to enable graduates to gain the training, mentorship and applied experience they require for professional registration. Ongoing professional development is provided by DOI to help ensure that professionals are continually kept abreast of new developments and technology in their fields of expertise.

The DOI's Chief Directorate: Expanded Public Works Programme is the coordinator of the EPWP Phase V. It maintains the functioning of the WCG EPWP Institutional Management Framework, coordinates EPWP interventions in the province, and monitors the extent to which EPWP interventions comply with national prescripts. The EPWP's objective is to create short- and medium-term work opportunities for the poor and unemployed as part of the government's anti-poverty strategy. These work opportunities are combined with training to increase the employability of low-skilled beneficiaries in the formal employment market. The programme targets opportunities in the infrastructure, environment, culture, and social sectors.

Table 13: Skills development training programmes

Programme	Target group	Total enrolled 2025/26
NYS Learnership Programme	Unemployed youth	166
NYS School of Skills (pilot)	Unemployed youth with cognitive disabilities	85
NYS Artisan Programme	Unemployed youth	51
Short courses funded by HSDG and NHBRC	Unemployed persons	175
Apprenticeship Programme funded by HSDG and NHBRC	Youth	82
External Bursary Programme: Masakh'iSizwe	Youth	156
Professional Development Programme	Internal DOI staff	40
Contractor Development Programme		262
Construction information sessions	All construction contractors	150
Structured training	CIDB Grade 1PE to Grade 2	73
Advanced training and mentoring	CIDB Grade 3 to Grade 5	19
Customised interventions	CIDB Grade 1PE to Grade 2	20
Housing consumer education		
Empower beneficiaries regarding their roles, rights and responsibilities as homeowners	South Africans who qualify and who do not qualify as subsidised housing beneficiaries	35 129
Provide interventions and/ or initiatives towards HCE to create awareness		

Preference is given to women, persons with disabilities, and residents of the Western Cape.

Strikes

No employees participated in strike actions during the period under review.

System failures

Throughout the 2025/26 financial year, there were connectivity problems that affected access to online services such as Microsoft, and its associated software collaboration tools.

The above services are hosted externally relying on infrastructure outside of the direct control of the WCG, operating through Microsoft's infrastructure. In addition, intermittent connectivity disruptions reported were attributed to various challenges experienced within the State Information Technology Agency (SITA) environment. Despite this, core systems remained operational, with no significant downtime experienced due to the redundancies in place.

Notably, the MyContent application consistently exceeded the performance requirements of the Service Level Agreement, remaining fully operational through the period under review except during the SITA outages that influenced all network-related applications.

To mitigate these challenges, SITA has scheduled upgrades and the installation of new equipment. Additionally, network service interruptions caused by loadshedding are being addressed collaboratively by the Centre for e-Innovation in the Department of the Premier, SITA, Microsoft, and the DOI.

Cases of fraud or corruption

Cases of fraud or corruption for the year under review are described in the Provincial Forensic Services (PFS) Case Movement Certificate (Table 14).

Table 14: Cases of fraud and corruption

Cases	Number of cases
Open cases as at 1 April 2025	7
New cases (2025/26)	4
Closed cases (2025/26)	(3)
Open cases as at 31 March 2026	8

3.1 Key policy developments and legislative changes

There were no key policy developments or legislative changes, especially in the CIDB and infrastructure procurement space.

4 Achievement of institutional Impacts and Outcomes

The DOI's Impact and Outcomes and progress made in the year under review towards achieving the targets of the 2024-2029 Medium Term Development Plan (MTDP), Provincial Strategic Plan 2025-2030, Growth for Jobs Strategy, 2035 and DOI five-year Strategic Plan: 2025/26–2029/30 are outlined below.

Outcome 1: An infrastructure foundation and capability for development
Links to national and provincial priorities The DOI's Outcome 1 is aligned to MTDP1: Inclusive growth & Job Creation (Apex Priority) – driving economic interventions across all spheres of government. Furthermore, this outcome gives effect to the National Transport Sector Strategic Priority (NTSSP) 3: Infrastructure Build That Grows the Economy. This Outcome also contributes to National Public Works and Infrastructure Sector Strategic Priorities (NPWISSPs): Productive Assets, Sustainable Infrastructure Investment, Transformed Built Environment, Integrated Planning and Coordination, Optimised Work Opportunities. In addition, this outcome contributes to the National Department of Human Settlements Strategic Outcome Goal: Improved access to basic services. The DOI's Outcome 1 specifically contributes to the MTDP Priority 1 outcomes: • Increased employment and work opportunities; • Accelerated growth of strategic industrial and labour-intensive sectors; • Enabling environment for investment and improved competitiveness through structural reforms; • Increased infrastructure investment, access and efficiency; • Improved energy security and a just energy transition; • Increased trade and investment; • A dynamic science, technology and innovation ecosystem for growth; • Supportive and sustainable economic policy environment; and • Economic transformation and equitable inclusion of women, youth and persons with disabilities for a just society. Outcome 1 is a key prerequisite for the realisation of the portfolios of WCG's 2025-2030 Provincial Strategic Plan particularly, Growth for Jobs, Educated, Health, and Caring Society, Culture and Governance, and the Growth for Jobs Strategy, 2035.

Projects aimed at stimulating economic growth continued to progress during the year. The design for the upgrading of the road network surrounding the N1/N7 Wingfield Interchange and the R300 Northern Extension advanced as part of the broader development of the Cape Town Integrator. Environmental authorisation was obtained for the R300 Northern Extension during the 2025/26 financial year, enabling the project to progress to subsequent implementation phases. In addition, the upgrading of the N7 to freeway standards, as part of the Northern Growth Corridor of the Cape Town Integrator, reached multiple key construction milestones following the commencement of construction in 2024/25.

During the year under review, the DOI facilitated the delivery of 6 571 housing opportunities comprising of 3 411 housing units, 637 non-credit linked subsidies, 1 165 First Home Finance subsidies, and 1 358 serviced sites.

The DOI provided support to emerging contractors through the implementation of its Contractor Development Programme that aims to unlock growth constraints, develop sustainable contracting capacity, and elevate the enterprise development of previously disadvantaged and small-scale contractors who provide services to the public sector.

The DOI's coordination of the EPWP in the Western Cape helped to ensure that nationally determined work opportunity targets were met in 2025/26 financial year. The Department put strategies in place to support EPWP implementing bodies in the province to continue to meet work opportunity targets.

EMPIAs were concluded on departmental capital projects with a contract value of more than R10m. A number of these projects were subjected to monitoring and evaluation (M&E) to determine whether their empowerment objectives had been achieved.

The DOI provided training opportunities in construction-related trades as part of the NYS Youth in Construction Programme that enables the participation of unemployed youth in the built environment and construction industry.

In its role as custodian of the WCG immovable asset portfolio, the DOI has adopted a holistic, multidisciplinary approach to the management of the portfolio to maximise the value that these immovable assets have over their lifecycle for the benefit of the public.

The custodian's immovable asset management strategy for the portfolio is underpinned by the following principles:

- Informed decision-making based on an asset life cycle management approach;
- Building a more sustainable portfolio from a financial and resource efficiency perspective;
- Providing immovable assets to user departments in support of their service delivery objectives;
- Holding user departments accountable for the properties allocated for their use;
- Managing and maintaining immovable assets based on cost-effectiveness and efficient utilisation; and
- Leveraging the immovable asset portfolio to foster social development and spatial transformation.

The Public Works Infrastructure Programme contributes to the Growth for Jobs Strategy in that every project that the DOI implements brings funding to the construction sector. This translates directly into jobs across the spectrum, from emerging contractors to large construction companies, professional service providers, and suppliers.

Outcome 2: Sustained delivery for maximum impact
Links to national and provincial priorities DOI'S Outcome 2: Sustained Delivery for Maximum Impact responds to MTDP 2: Reducing poverty & tackling high cost of living – ensuring social protection and economic inclusion, MTDP 3: Building a capable, ethical & developmental state-enhancing governance, law and order, and enabling infrastructure. This outcome contributes specifically to the following MTDP Priority 2 outcomes: • Reduced poverty and improved livelihoods; • Improved coverage of social protection; • Improved access to affordable and quality healthcare; • Improved education outcomes and skills; • Skills for the economy; and • Social cohesion and nation-building. This outcome contributes specifically to the following MTDP Priority 3 outcomes: • Improved service delivery in the local government sphere; • Improved governance and performance of public entities; • An ethical, capable and professional public service; • Digital transformation across the state; • Mainstreaming of gender, empowerment of youth and persons with disabilities; • A reformed, integrated and modernised criminal justice system; • Effective border security; • Secured cyberspace; • Increased feelings of safety for women and children in communities; • Combating priority offences (economic, organised crime and corruption); • Advancing South African foreign policy for a better world; and • Enhanced peace and security in Africa. This outcome contributes to NTSSP1: Safety as Enabler of Service Delivery. Furthermore, this outcome contributes to the following NPWISSP priorities: Productive Assets, Sustainable Infrastructure Investment, Transformed Built Environment, Integrated Planning and Coordination, Optimised Work Opportunities. At a provincial level, the Department's outcome contributes to the portfolios of the WCG's 2025-2030 Provincial Strategic Plan particularly Safety, Educated, Healthy, and Caring Society and the Growth for Jobs Strategy. This outcome contributes to the NDHS Strategic Outcome Goal: Accelerated delivery of housing opportunities.

The DOI continued to deliver on its mandate to provide and maintain a safe, reliable, and efficient provincial road network. The focus remained on sustaining infrastructure delivery to maximise socio-economic impact, despite a constrained fiscal environment and ongoing pressures on the network.

The Department prioritised the preservation and maintenance of the existing road network, while advancing key strategic projects that support economic growth and improved mobility. Progress was made in the implementation of major corridor developments aimed at improving access, supporting freight movement, and enabling regional economic development.

In addition, the Department continued to address the ongoing impacts of prior flood damage, with resources prioritised towards the repair and rehabilitation of affected infrastructure. These efforts are being implemented over multiple financial years, aligned to available funding and project readiness.

The Department further strengthened its approach to infrastructure delivery through enhanced coordination with municipalities, the private sector, and industry stakeholders.

Through these interventions, the Department contributed to improved road safety, enhanced network resilience, and the creation of work opportunities, supporting broader provincial and national development priorities.

Outcome 3: Leveraging infrastructure to bring about fundamental spatial transformation
Links to national and provincial priorities The DOI's Outcome 3: Leveraging infrastructure to bring about fundamental spatial transformation is aligned to MTDP Priority 1: Inclusive growth & job creation (Apex Priority) – driving economic interventions across all spheres of government. This Outcome also contributes to the NPWISSP priorities: Productive Assets, Sustainable Infrastructure Investment, Transformed Built Environment, Integrated Planning and Coordination, and Optimised Work Opportunities. This outcome contributes to the NDHS Strategic Outcome Goals: Accelerated delivery of housing opportunities, and more efficient land utilisation and an improved property market. Outcome 3 specifically contributes to the MTDP Priority 1 outcomes: • Increased employment and work opportunities; • Accelerated growth of strategic industrial and labour-intensive sectors; • Enabling environment for investment and improved competitiveness through structural reforms; • Increased infrastructure investment, access and efficiency; • Improved energy security and a just energy transition; • Increased trade and investment; • A dynamic science, technology and innovation ecosystem for growth; • Supportive and sustainable economic policy environment; and • Economic transformation and equitable inclusion of women, youth and persons with disabilities for a just society. This outcome also contributes to the NPWISSP Integrated Planning and Productive Asset priority; NTSSP3: Infrastructure Build that Grows the Economy; the NDHS priority spatially transformed integrated human settlements that ensure access to social services and economic opportunities in cities, regions and rural areas; Transversal focus areas of the PSP: Spatial Transformation, Infrastructure and Mobility; and Growth for Jobs Strategy.

The DOI continued to leverage transport infrastructure to support spatial transformation and improved connectivity across the Western Cape, with a focus on enabling better access between communities, economic centres, and social services.

The completion of the Malmesbury Bypass during the 2025/26 financial year enhanced regional mobility by redirecting through-traffic away from the town centre, improving road safety, and supporting more efficient movement of goods and people along this key corridor.

Infrastructure planning remained aligned with municipal SDF and land use planning processes, ensuring that road investments support integrated human settlements and economic development. This approach strengthens coordination across spheres of government and promotes more efficient and sustainable infrastructure delivery.

Targeted investments in the provincial road network also contributed to improved access to rural and agricultural areas, supporting inclusive economic participation and regional development.

Through these initiatives, the Department contributed to a more connected, inclusive, and spatially integrated province.

A range of Annual Performance Plan (APP) indicators were set in place to deliver on Outcome 3, one being the completion of integrated implementation plans. This outcome

is primarily focused on investment in the gazetted priority human settlement and housing development areas (PHSHDAs).

The Department has made significant strides towards the achievement of this outcome with the completion of one integrated implementation plan for Mossel Bay Local Municipality to bring about spatial transformation in its area of jurisdiction. This development plan forms part of municipal long-term plans and has been endorsed by the municipal council.

With this plan finalised, the next step is aligning the Spatial Development Framework (SDF) and other sectoral plans with municipal IDPs. The completion of five IDPs in the year under review brings the total number of completed plans in the declared PHSHDAs to 18.

To contribute to the realisation of Outcome 3: Leveraging infrastructure portfolio to bring about fundamental spatial transformation, the DOI facilitated the approval of three individual informal settlement upgrading plans for Phase 1 of the Upgrading of Informal Settlements Programme (UISP) and five Phase 2 plans aligned to the National Upgrading Support Programme (NUSP). In order to properly guide the development of human settlements projects, the Department invested a portion of its human settlement allocation in priority development areas.

Outcome 4: Catalysing innovation, private sector development and climate-sensitive infrastructure

Links to national and provincial priorities

The DOI's Outcome 4: Catalyst for innovation and climate-sensitive infrastructure is aligned to MTDP Priority 1: Inclusive growth & job creation (Apex Priority) – driving economic interventions across all spheres of government; the NPWISSP priorities: Productive Assets, Sustainable Infrastructure Investment, Transformed Built Environment, Integrated Planning and Coordination, and Optimised Work Opportunities. This outcome contributes to the NDHS Strategic Outcome Goals: Improve access to basic service, more efficient land utilisation, and an improved property market.

This Outcome specifically contributes to the following MTDP Priority 1 outcomes:

- Increased employment and work opportunities;
- Accelerated growth of strategic industrial and labour-intensive sectors;
- Enabling environment for investment and improved competitiveness through structural reforms;
- Increased infrastructure investment, access and efficiency;
- Improved energy security and a just energy transition;
- Increased trade and investment;
- A dynamic science, technology and innovation ecosystem for growth;
- Supportive and sustainable economic policy environment; and
- Economic transformation and equitable inclusion of women, youth and persons with disabilities for a just society.

This outcome contributes to all the Portfolios of WCG's 2025-2030 Provincial Strategic Plan Growth for Jobs, Educated, Healthy and Caring Society, Safety and Innovation, culture and Governance, Transversal area: Spatial Transformation, infrastructure and Mobility as well as the Growth for Jobs Strategy, 2035.

Significant progress has been made in the development of mixed-use, mixed-income neighbourhoods through the DOI's strategic land release programme to create a safe and vibrant live-work-play-learn environment for the citizens of the Western Cape with Conradie Park continuing to be the Better Living Exemplar Model Project upon which other developments are modelled.

The Founders' Garden and the Leeuloop Precinct mixed-use and mixed housing development projects have both been released to the market for the procurement of developers, including SHIs for the development of social housing in these developments.

A programme pipeline of mixed-use and mixed-income housing developments has been developed that includes a portfolio of projects at various stages of enablement and de-risking stages. The majority of these proposed developments are in the Cape Town CBD and a few are in the broader Cape Town metropolitan area. The Oude Molen Precinct mixed-use development project in Pinelands, 353 on Main (Tafelberg) mixed-use project in Sea Point, and 15 on Hector BNG housing project in Grassy Park have progressed well and have entered the statutory application phase related to heritage, environmental, and land use management approvals.

The DOI continued to promote innovation and strengthen institutional capability to support more efficient, responsive, and sustainable infrastructure delivery.

During the year under review, the Department advanced digital innovation through the implementation of the Roads4U application, making it easier for the public to report road-related issues and improving responsiveness to maintenance needs. This initiative supports improved service delivery and strengthens engagement between the Department and road users.

The Department also enhanced its internal systems and processes to improve planning, monitoring, and decision-making across the infrastructure delivery value chain. These improvements contribute to greater efficiency, transparency, and accountability in the management of the provincial road network.

In addition, the Department continued to engage with industry and private sector stakeholders to support infrastructure delivery and promote an enabling environment for investment and participation in the construction sector.

Consideration of climate resilience and sustainability remained an ongoing focus, with efforts to incorporate these principles into infrastructure planning and delivery practices.

The Department has collaborated with the NDHS, the Social Housing Regulatory Authority, the CoCT, other Category B municipalities, the National Association of Social Housing Organizations (NASHO), various SHIs and other delivery agents (ODAs) to develop an extensive project pipeline of new social housing projects for implementation in what remains of the period covered by the MTDP 2024–2029. The implementation of projects has been constrained by limited grant funding being made available by the SHRA. The Department is seeking alternative funding models to continue the development of affordable housing initiatives in the Western Cape.

5 Institutional Programme performance information

5.1 Programme 1: Administration

Purpose

The purpose of this Programme is to provide strategy and overall management support to the DOI, to provide for the functioning of the Office of the MEC, and to provide non-core corporate support.

Note: The Corporate Services Centre (CSC) in DotP provides the following support services to the DOI: human resource management, enterprise risk management, internal audit, legal services, Provincial Forensic Services, and ICT (information and communication technology) services.

Sub-programmes

- Office of the MEC;
- Management of the Department;
- Corporate Support; and
- Departmental Strategy.

Purpose of Sub-programmes

Office of the MEC

To render advisory, parliamentary, secretarial, administrative and office support services.

Management of the Department

To manage the Department and provide an executive support service to the Head of Department (HOD).

Corporate Support

- To manage communication, supply chain, and finance needs of the Department;
- To manage the Department's professional development programmes;
- To facilitate departmental responsibilities concerning security, occupational health and safety, and human rights;
- To provide an operational management support service in respect of the Corporate Services Centre; and
- To make limited provision for maintenance and accommodation needs.

Departmental Strategy

- To facilitate strategic planning and policy development, integration, and coordination across spheres of government, functional boundaries, departments and the private sector;
- To provide integrated planning;

- To provide departmental monitoring and evaluation support services to provide for the coordination of transversal programmes; and
- To provide for projects related to energy provision across the province.

Programme contribution to specific Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

In the year under review, This Programme contributed to:

- Outcome 1: An infrastructure foundation and capability for development;
- Outcome 2: Sustained delivery for maximum impact;
- Outcome 3: Leveraging infrastructure to bring about fundamental spatial transformation; and
- Outcome 4: Catalysing innovation, private sector development and climate-sensitive infrastructure

This Programme concluded the development of the WCIF 2050 which was endorsed by the Provincial Cabinet in October 2024. The WCIF 2050 encapsulates the DOI vision through the five focus areas depicted in Figure 3.

Figure 3: WCIF 2050 focus areas



Source: WCIF 2050.

The overall aim is to enable infrastructure-led growth and investment for the Western Cape that will benefit the communities we serve. It sets out the strategic principles for infrastructure strategy and development in the Western Cape and frames its role in the medium and long term. The four universal principles are listed below:

1. Infrastructure innovation drives equitable economic, social, and environmental development;
2. Innovative infrastructure value chains/ ecosystems contribute to building resilient, sustainable, and regenerative systems;

3. Sustainable stakeholder value is created by infrastructure and services that build trust, leverage spatial justice, and the six capitals (financial capital, manufactured capital, intellectual capital, human capital, social and relationship capital and natural capital) as well as value for money as defined by the International Development Association (IDA); and
4. Infrastructure design, commission, delivery and management are best supported and enabled by transversal planning and governance.

The strategic objectives of the WCIF 2050 are to:

1. Stimulate economic growth and job creation: Foster economic development by driving infrastructure-led growth and expanding employment opportunities;
2. Maximise infrastructure benefits: Ensure infrastructure projects generate significant economic and social returns for all citizens of the Western Cape;
3. Enhance informal infrastructure: Upgrade and formalise built informal infrastructure while preserving community functionality and value;
4. Deliver coordinated and efficient services: Provide well-coordinated, effective, and efficient infrastructure and services that enhance quality of life across the region;
5. Attract private sector investment: Leverage private sector participation in infrastructure development, ensuring broad-based cost-benefit alignment for inclusive growth;
6. Drive innovation and integrated planning: Emphasise innovation, long-term planning and an integrated approach to ensure infrastructure development meets future demands;
7. Promote climate-resilient and transformative infrastructure: Design and implement infrastructure projects that address climate change, ensuring long-term resilience and sustainability; and
8. Align with existing plans: Ensure all infrastructure initiatives are aligned with both public and private sector strategies and frameworks for cohesive development.

Through its theory of change, the WCIF 2050 sets out to create defined pathways to the future. This includes refining and synthesising horizontal enablers and levers into key focus areas further unpacked in the Western Cape Infrastructure Strategy 2050 and the Western Cape Infrastructure Implementation Plan 2050 in order to facilitate the identification of interventions in partnership with the private sector. As the DOI moves forward, it will also require a deeper assessment of future scenarios, including critical uncertainties, as the Department develops greater foresight on its 2050 journey. A key objective of the WCIF 2050 is to give effect to the desired institutional transformation required to ensure alignment, coordination and collaboration across all infrastructure sector stakeholders and relevant WCG departments.

A key development in this regard is the governance framework for infrastructure as set out in the Western Cape Infrastructure Strategy 2050 with the establishment of the Infrastructure Ministerial Committee (IMC) and the Infrastructure Technical Committee (ITC) chaired by the Head of Department of the Department of Infrastructure.

The intention of the WCIF 2050 approach is to ensure that transdisciplinary challenges are acknowledged from both the private and public sectors. It defines medium to long-term

mission-oriented goals and, similar to the process of "backcasting", it facilitates a reverse-engineered mapping exercise to identify the necessary preconditioned underlying assumptions, worldviews and associated systems for successfully reaching the intended mission. Furthermore, the theory of change process identifies change processes by outlining causal linkages across specific time horizons in the short, medium and long term that will direct place-investment for maximum impact to achieve the DOI's vision of "enabling infrastructure-led growth and investment of the Western Cape that will benefit the communities we serve".

A key component of the WCIIP 2050 is the establishment of the Western Cape Single Integrated Infrastructure Pipeline of projects spanning all three spheres of government and include the private sector. Through an innovative coding of the various national, regional, National Treasury and investor prescripts and requirements, the DOI has created a Virtual Platform that facilitates the evaluation of projects as they progress through the various stage gates. By the end of the financial year under review, the evaluated pipeline consisted of 52 projects to a conservative value of R132 billion. Further refinement to the Virtual Platform and related processes will happen in the new financial year including further leveraging of Artificial Intelligence capabilities in the form of AI assistants and chatbot functionalities.

Supply Chain Management (SCM)

The DOI continued to strengthen its Supply Chain Management, (SCM) environment during the year under review. This remains a priority, as more than 60 per cent of the Department's total budget is expended through SCM-related activities.

As a department with an intensive infrastructure supply chain operation and of the scale and complexity of the DOI's infrastructure delivery mandate, the SCM environment is inherently exposed to risks arising from changes in functional mandates, as well as shifts in the legislative and policy framework. For this reason, these factors are proactively managed because they could adversely affect the Department and have direct service delivery impacts on communities, and indirect impacts in the form of fewer work opportunities on infrastructure projects.

To mitigate these risks and support efficient infrastructure delivery, the Department focused on improving turnaround times, strengthening procurement planning, and maintaining sound procurement strategies throughout the 2025/26 financial year. SCM compliance and system performance were monitored continually, while regular engagements were held with industry stakeholders. The Department also actively monitored legislative developments, provided inputs where required, and utilised relevant databases to ensure active alignment with current regulatory requirements.

During the year under review, the SCM Capacity Building component focused on strengthening institutional capability through targeted training for SCM practitioners and departmental officials. Training initiatives included procurement and contract management inputs facilitated by Legal Services, ethics, data analytics and Power BI training, and practical in-house SCM systems training, including Central Supplier Database

user support. These interventions enhanced regulatory compliance, analytical capability, and the effective use of procurement systems.

The Department further expanded its capacity-building footprint through strategic partnerships. In collaboration with Provincial Treasury, SCM co-hosted a conference track at the Smart Procurement World Indaba, contributing to the development of the programme and positioning the Department as a thought leader in the broader procurement environment.

Supplier development and public engagement were strengthened through participation in four Services and Opportunities Fairs across the Western Cape, as well as the Expanded Public Works Programme (EPWP) Listening Tour hosted by the National Department of Public Works and Infrastructure. These platforms enabled direct engagement with communities and suppliers, provided hands-on assistance with registration on the WCSEB and CSD, and clarified tender processes and compliance requirements, particularly for small, medium and microenterprises (SMMEs).

Overall, these initiatives reflect an integrated and proactive approach to capacity building, improving access to procurement opportunities, strengthening compliance, and supporting a more inclusive and informed supplier base.

Ongoing collaboration between SCM and the Department's line functions remained essential to ensuring organisational coherence and optimal functionality. This continual interaction supported agility, innovation, and integrity in SCM practices, thereby strengthening the Department's overall capacity to deliver large-scale infrastructure programmes in line with its SCM values.

The Department continued to make innovation a central part of improving supply chain performance and service delivery. This involved gradually digitising and automating demand management and procurement planning, thereby improving data accuracy, real-time tracking, and effective decision-making. By using data-driven tools, dashboards, and standard templates, the Department improved its ability to analyse spending trends, predict demand, and align procurement with strategic goals. These changes have made the supply chain more efficient, responsive, and transparent, showing the department's ongoing commitment to modernising its processes and delivering better infrastructure.

The Programme's Outcomes, Outputs, Output Indicators, Targets and Actual Achievements are presented in Table 15.

Table 15: Programme 1: Administration: Performance Information originally tabled

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
Sub-programme 1.3: Corporate Support									
Provincial Indicators									
1.3.1	4. Catalyst for innovation. Private Sector Development and climate-sensitive infrastructure	Strategic knowledge products produced	Number of strategic knowledge products produced	4	4	4	4	0	n/a
1.3.2	2. Sustained delivery for maximum impact	Participants committed to the Professional Development Programme	Number of Participants committed to the Professional Development Programme (PDP).	40	30	40	40	0	n/a
1.3.3		New beneficiaries funded	Number of new beneficiaries funded by the Masakh'iSizwe Bursary Programme	50	41	45	58	13	During the reporting period, the programme awarded 58 new bursaries, surpassing the annual target of 45. This overachievement is

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
									primarily attributed to the programme's longstanding challenge in attracting applicants from regions outside the Cape Metro, which in previous years resulted in limited or no intake from these areas. During the recent selection process, a significant number of qualifying applicants from outside the Cape Metro were identified. To address the historical regional imbalances, a decision was taken during selection to recommend all qualifying applicants from outside the Cape Metro for bursary approval. This approach will ensure

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
									broader regional representation within the bursary cohort and ultimately, contribute to addressing technical skills shortages in areas of the Western Cape beyond the Cape Metro.

Linking performance to budgets

Sub-Programme expenditure

Table 16: Programme 1: Administration: Sub-programme expenditure

Sub-Programme		2025/26			2024/25		
		Final appro-priation R'000	Actual expen-diture R'000	(Over)/ under expen-diture R'000	Final appro-priation R'000	Actual expen-diture R'000	(Over)/ under expen-diture R'000
1.1	Office of the MEC	9 537	9 537	0	9 306	9 306	0
1.2	Management of the Department	4 943	4 942	1	3 780	3 780	0
1.3	Corporate Support	230 047	230 047	0	222 777	222 777	0
1.4	Departmental Strategy	123 463	120 663	2 800	99 297	97 436	1 861
Total		367 990	365 189	2 801	335 160	333 299	1 861

Strategies to overcome areas of under-performance

No under-performance recorded for the Programme

Changes to planned targets

No changes to planned targets were made during the period under review

Performance in relation to standardised Outputs and Output Indicators for sectors with concurrent functions

Programme 1 has no standardised indicators.

5.2 Programme 2: Public Works Infrastructure

Purpose

The purpose of this Programme is to provide a balanced provincial government building infrastructure that promotes integration, accessibility, sustainability, equity, environmental sensitivity, economic growth, and social empowerment.

Sub-programmes

- Programme Support;
- Planning;
- Design;
- Construction;
- Maintenance;
- Immovable Asset Management; and
- Facility Operations.

Purpose of Sub-programmes

Programme Support

- To manage the programme and render an administrative and professional support service; and
- To act as preferred implementing agent for the delivery of building infrastructure.

Planning

- To manage the demand for infrastructure;
- To develop, monitor and enforce built sector and property management norms and standards;
- To assist with the development of User Asset Management Plans (U-AMPs); and
- To develop Custodian Asset Management Plans (C-AMPs) and related implementation plans.

Design

To design new and upgraded building infrastructure. The intention is that plans should be ready for funding, comprising the first four stages of the six Procedural Guide for Clients, Architects and other Professionals (PROCAP) stages, namely:

- project inception;
- concept design;
- design development; and
- project documentation.

Construction

- To construct, upgrade and refurbish building infrastructure; and
- To manage contracts and projects.

Maintenance

- To perform routine and scheduled maintenance;
- To conduct condition assessments of all buildings; and
- To alter building infrastructure for reasons other than maintaining the asset.

Immovable Asset Management

- To manage the property portfolio of the province;
- To provide accommodation for provincial departments and other provincial institutions;
- To acquire and dispose of properties;
- To manage property rates payments;
- To manage leasing-in and leasing-out of property;
- To manage the immovable asset register; and
- To monitor and evaluate the utilisation of provincial government facilities.

Facility Operations

- To manage the operations of buildings, including facilities management;
- To manage cleaning, greening, beautification, interior decorating and design; and
- To manage the day-to-day preventative maintenance of electronic, electrical, and mechanical equipment.

Programme contribution to specific Outcomes, Outputs, Output Indicators and Targets

In the period under review, this Programme contributed to Departmental Outcome 1: An infrastructure foundation and capability for development, and Outcome 4: Catalysing innovation, private sector development and climate-sensitive infrastructure.

Notwithstanding the challenges experienced by the construction sector both in respect of retaining skills and resources as well as the disruptions experienced on construction sites, the DOI remains committed to focusing on the implementation of infrastructure and project development projects.

The Programme's Strategic Objectives, Performance Indicators, Planned Targets and Actual Achievements are presented in Tables 17 and 18.

Table 17: Programme 2: Public Works Infrastructure: Performance information prior to in-year changes

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26 (until date of re-tabling)	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
SUB-PROGRAMME 2.**6 IMMOVABLE ASSET MANAGEMENT**										
Provincial Indicators										
2.6.1	1. An infrastructure foundation and capability for development	Facilities provided	Number of facilities provided	1 681	1 665	1 738	1 678	(60)	The deviation from planned target measures performance achieved at the mid-year against an annual target.	The adjustment of the overall target (from 1738 to 1678) in facilities provided is the result of asset data improvement and quality assurance processes conducted in-year.
2.6.2	1. An infrastructure foundation and capability for development	Inspections conducted for optimal utilisation	Number of utilisation inspections conducted for provincial owned and leased in office accommoda	37	36	37	0	37	The deviation from planned target measures performance achieved at the mid-year against an annual	One of the buildings (Golden Acre) within the POE portfolio was vacated in December 2024 and therefore will not form part

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26 (until date of re-tabling)	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
			tions within the current financial year in excess of 1000m².						target. Utilisation inspections commence in quarter 3 annually.	of the portfolio for utilisation inspections to be conducted in 2025/26.
SUB-PROGRAMME 2.7 FACILITY OPERATIONS										
Provincial Indicators										
2.7.1	1. An infrastructure foundation and capability for development	Buildings condition assessed	Number of condition assessments conducted on state-owned buildings within the current financial year	798	940	918	274	(644)	The deviation from planned target measures performance achieved at the mid-year against an annual target.	The planned targets for the three Chief Directorates namely Health, General, and Education Infrastructure are accurate. However, the error lies in the overall total for indicator 2.7.1, hence the need for in-year changes to correct the APP and ensure alignment with

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Perform ance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26 (until date of re-tabling)	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
										the approved targets.

Table 18: Programme 2: Public Works Infrastructure: Performance information including in-year changes

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
SUB – PROGRAMME 2.2: PLANNING									
Provincial Indicators									
2.2.1	2. Sustained delivery for maximum impact	Work opportunities	Number of work opportunities created	746	793	815	816	1	During the Cleaning Services recruitment drive for a permanent cleaning position, a cleaner from the contract cleaning contractor was appointed as permanent staff member. This created a vacancy within the cleaning contract (Cleaning of office Space), which

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
									necessitated the recruitment of replacement of a cleaner.
SUB – PROGRAMME 2.3: DESIGN									
Provincial Indicators									
2.3.1	1. An infrastructure foundation and capability for development	Infrastructure designs ready for tender	Number of Infrastructure designs ready for tender	14	25	10	12	2	The over performance was attributed to: Targets not being set for the EI* section due to the WCED* submitting the IPMP* information too late for inclusion in the APP for the 2025/26 financial year. GI* Confirmation of funding and Land Use Management (LUM) approval enabled going out to tender earlier.
			Education Infrastructure	0	4	0**	2	2	The over performance resulted from targets not being set for the EI* section due to the

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
									WCED* submitting the IPMP* information too late for inclusion in the APP for the 2025/26 financial year.
			Health Infrastructure	7	13	6	4	(2)	WCDHW* placed 2 projects on hold [CI830127 Bellville- Karl Bremer Hospital - Enabling Work for Demolitions and Ring Road - FY2017-18; CI850124 Observatory- Groote Schuur Hospital - Electrical System Upgrade - Replace 11KV Switchgear - FY2023-24]
			General Infrastructure	7	8	4	6	2	Confirmation of funding and Land Use Management (LUM) approval enabled going out to tender earlier hence the annual target has been exceeded.

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
SUB – PROGRAMME 2.4: CONSTRUCTION									
Provincial Indicators									
2.4.1	1. An infrastructure foundation and capability for development 2. Sustained delivery for maximum impact	Sustainable infrastructure delivered	Number of new construction projects completed	13	18	14	22	8	The over performance was attributed to: 5x Donor projects were not included in target as they are managed by private donors [CI830189 - Ceres - Ceres Hospital - Burns Unit (Donation In Kind); CI810345 Worcester - Worcester CDC - Burns Unit (Donation In Kind); CI840127 Worcester - Worcester Hospital - Burns Unit (Donation In Kind); CI850135 Rondebosch - Red Cross War Memorial Children's Hospital - Ortho Ward Relocation (Donation In Kind); CI840132 Maitland - Alexandra Hospital –

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
									De Nieuwe Molen Windmill] 6x Projects were not included in the target due to contractor delays [CI840061 - Worcester - Worcester Hospital - Relocation of MOU; CI830144 Mitchells Plain- Mitchells Plain Hospital - Fire doors - FY2019-20; CI840053 Worcester- Worcester Hospital- Fire Compliance (2015-2016); CI830015 Eerste River- Eerste River Hospital- Acute Psychiatric Unit; CI810048 Bothasig- Bothasig CDC - Upgrade and Additions - FY2017-18; CI850074 - Parow - Tygerberg Hospital - Hot water system rehabilitation]

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
									1x Project completed earlier in FY25/26 (Parow- Ravensmead CDC- Replacement (HRG) (2013-2014)
			Education Infrastructure	2	5	3	2	(1)	Completion has not yet been achieved due to delays in obtaining wayleave approval from the City of Cape Town for the water connection outside the site boundary.
			Health Infrastructure	4	7	4	16	12	5x Donor projects were not included in target as they are managed by private donors [CI830189 - Ceres - Ceres Hospital - Burns Unit (Donation in Kind); CI810345 Worcester - Worcester CDC - Burns Unit (Donation in Kind); CI840127 Worcester - Worcester Hospital –

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
									Burns Unit (Donation in Kind); CI850135 Rondebosch - Red Cross War Memorial Children's Hospital - Ortho Ward Relocation (Donation in Kind); CI840132 Maitland - Alexandra Hospital – De Nieuwe Molen Windmill] 6x Projects were not included in the target due to contractor delays [CI840061 - Worcester - Worcester Hospital - Relocation of MOU; CI830144 Mitchells Plain- Mitchells Plain Hospital - Fire doors - FY2019-20; CI840053 Worcester- Worcester Hospital- Fire Compliance (2015-2016); CI830015 Eerste River- Eerste River

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
									Hospital- Acute Psychiatric Unit; CI810048 Bothasig- Bothasig CDC - Upgrade and Additions - FY2017-18; CI850074 - Parow - Tygerberg Hospital - Hot water system rehabilitation] 1x Project completed earlier in FY25/26 (Parow- Ravensmead CDC- Replacement (HRG) (2013-2014)
			General Infrastructure	7	6	7	4	(3)	Projects have not achieved completion due to contractor malperformance; unforeseen circumstances on site and procurement delays.

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
SUB – PROGRAMME 2.5: MAINTENANCE									
Provincial Indicators									
2.5.1	1. An infrastructure foundation and capability for development 2. Sustained delivery for maximum impact	Sustained Infrastructure through maintenance	Number of planned maintenance projects completed	69	50	24	36	12	The over performance was attributed to: EI* The overperformance is attributed to Le Chasseur PS, which was originally targeted for completion in 2023/24. However, the project experienced delays, causing it to be ultimately delivered in 2025/26. HI* - 3 projects were planned to be completed in FY24/25 however only completed in FY25/26. 1 project was completed earlier in FY25/26. Details of projects listed below. GI* Additional projects as a result of the Cape

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
									Nature Disaster Relief programme were completed in the Q4.
			Education Infrastructure	37	20	2	3	1	The overperformance can be attributed to Le Chasseur PS, which was originally a planned target for 2023/24. The project was subsequently terminated and later reinstated, resulting in a delay that pushed its delivery into the 2025/26 financial year
			Health Infrastructure	8	6	2	6	4	The following 3 projects were planned to be completed in FY24/25 however only completed in FY25/26. (MS840001-0062 - Green Point-Somerset Hospital - Lift Upgrade 2951 2952, MS850001-0103 Observatory- Groote Schuur Hospital - Lift Upgrade SL13 –

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
									1_2_3 and OPD 5_6 and MS850001-0048 - Observatory- Groote Schuur Hospital - H Block Lift upgrade 3420 3422 3434 3435 3443 - FY2019-20 The following project was completed earlier in FY25/26 - (MS850001-0059 Observatory- Groote Schuur Hospital - Pneumatic Tube System Overhaul - FY2018-19).
			General Infrastructure	24	24	20	27	7	Additional projects as a result of the Cape Nature Disaster Relief programme were completed in Q4.
2.5.2	1. An infrastructure foundation and capability for development	Maintenance projects awarded	Number of planned maintenance projects awarded	27	37	26	63	37	The over performance was attributed to: 1. Targets were not set for the EI* in the APP for 2025/26 financial year due to the WCED*

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
									submitting the IPMP information too late. 2. GI* The Cape Nature Disaster relief programme started with investigations of all damages to the Nature reserves which were affected by the flood damage. After assessment and budget consideration the programme resulted in additional projects which went through the procurement gate in Q3 & Q4
			Education Infrastructure	1	1	0**	8	8	Targets were not set in the APP for 2025/26 financial year due to the WCED* submitting the IPMP information too late
			Health Infrastructure	4	7	1	1	0	n/a

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
			General Infrastructure	22	29	25	54	29	The Cape Nature Disaster relief programme started with investigations of all damages to the Nature reserves which were affected by the flood damage. After assessment and budget consideration the programme resulted in additional projects which went through the procurement gate in Q3 & Q4
SUB – PROGRAMME 2.6: IMMOVABLE ASSET MANAGEMENT									
Provincial Indicators									
2.6.1	1. An infrastructure foundation and capability for development	Facilities provided	Number of facilities provided	1 681	1 665	1 678	1 719	41	The overperformance is attributed to the finalisation of the transfers of assets recorded during the financial year and quality assurance processes conducted.

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
2.6.2		Inspections conducted for optimal utilisation	Number of utilisation inspections conducted for provincial owned and leased in office accommodation within the current financial year in excess of 1000m²	37	36	36	35	(1)	One (1) building, 35 Wale Street, Cape Town was vacated on 30 November 2025.
SUB – PROGRAMME 2.7: FACILITY OPERATIONS									
Provincial Indicators									
2.7.1	1. An infrastructure foundation and capability for development	Buildings condition assessed	Number of condition assessments conducted on state-owned buildings within the current financial year	798	743	888	1 473	585	The overperformance is attributed to HI, GI and IAM. Refer to over performance below.
			Education Infrastructure	241	280	240	240	0	n/a

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
			Health Infrastructure	276	82	125	303	178	The overperformance is attributed to: 9 Works Inspector appointments were made during the financial year. Updates to the facility portfolio as below • Updates required to the leased portfolio i.e. change of ownership; transfers; etc, • Facilities that were rationalized; decommissioned, service type changes, • Level of detail required applicable to physical units & functional areas for larger facilities; erven; etc, • Recently refurbished and maintained facilities over passed financial years. • Recently refurbished and maintained facilities over passed financial years.

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
			General Infrastructure	281	381	353	401	48	General Infrastructure – Technical Services appointed a new Control Works Inspector to serve as Project Manager for FCAs, which contributed to the overachievement.
			Immovable Asset Management	n/a	n/a	170	529	359	The overperformance due to the additional budget received during the financial year

** GI = DOI General Infrastructure portfolio; HI = DOI Health Infrastructure portfolio; IAR = Immovable Asset Register; IPMP = Infrastructure Programme Management Plan; WCDH&W = Western Cape Department of Health and Wellness; WCED = Western Cape Education Department.*

***The Education Infrastructure targets are currently set at nil as the base documents for deriving the indicators, that is the IPMPs, had not been submitted by 27 February 2024 to determine EI targets.*

Note: With reference to audited actual performance "n/a" means the indicators were not included in the APPs for those years and therefore not reported in the Annual Reports.

Linking performance to budgets

Sub-Programme expenditure

Table 19: Programme 2: Public Works Infrastructure: Sub-programme

Sub-Programme		2025/26			2024/25		
		Final appropriation R'000	Actual expenditure R'000	(Over)/ under expenditure R'000	Final appropriation R'000	Actual expenditure R'000	(Over)/ under expenditure R'000
2.1	Programme Support	519 885	519 882	3	418 589	418 589	0
2.2	Planning	97 129	97 129	0	80 190	80 190	0
2.3	Design	0	0	0	0	0	0
2.4	Construction	253 185	251 870	1 315	197 177	197 177	0
2.5	Maintenance	288 225	288 225	0	257 958	257 958	0
2.6	Immovable Asset Management	1 247 206	1 247 206	0	1 212 889	1 212 889	0
2.7	Facility Operations	230 430	230 430	0	219 845	219 845	0
Total		2 636 060	2 634 742	1 318	2 386 648	2 386 648	0

Strategies to overcome areas of under-performance

A number of strategies were implemented during the 2025/26 financial year which resulted in improved performance. These strategies remain relevant going forward to improve the efficiencies and effectiveness of the Programme:

- Requesting a priority list with "pipeline" projects from client departments so that, in instances where planned projects cannot proceed to tender, these can be replaced with other projects from the priority list;
- Identifying land-use management issues at project initiation;
- Establishing project scope, thoroughly interrogating it, and reaching agreement with client departments before a decision is taken to proceed with implementation;
- Closely monitoring contractors to assist them to set up realistic programmes that avoid the risk of delayed completion;
- Continuing to use social facilitators on projects where community interference is anticipated;
- Improving planning and risk management;
- Capturing ongoing updates to asset information;
- Confirming and formalising the allocation of facilities and buildings to user departments;
- Continual engagement with client departments to improve approval timeframes; and
- Real time delay tracking to inform client departments on cost of delays for late approvals or feedback.

Changes to planned targets

There was a change in target for indicator 2.6.1, 2.6.2 and 2.7.1 which was approved in the in-year change process and is reflected in Table 17 and 18 above.

Performance in relation to Standardised Outputs and Output Indicators for sectors with concurrent functions

Programme 2 has no standardised indicators for the 2025/26 financial year. This was a sector decision made by all provinces during the 2025/26 financial year.

5.3 Programme 3: Transport Infrastructure

Purpose

The purpose of this Programme is to deliver and maintain transport infrastructure that is sustainable, integrated, and environmentally sensitive, that supports and facilitates social empowerment and economic growth, and that promotes accessibility and the safe, affordable movement of people, goods and services.

Sub-programmes

- Programme Support Transport Infrastructure;
- Infrastructure Planning;
- Infrastructure Design;
- Construction; and
- Maintenance.

Purpose of Sub-programmes

Programme Support Transport Infrastructure

- To manage and support the programme;
- To provide policy and legislative framework for transport;
- To provide management and information systems including GIS for the provincial road network; and
- To promote the improvement of safety on transport infrastructure.

Infrastructure Planning

- To provide network planning for proclaimed roads;
- To integrate transport and spatial/ development planning;
- To assist local authorities to plan and design roads that qualify for subsidies; and
- To plan integrated modal transport facilities and systems for all modes of transport.

Infrastructure Design

- To provide geometric, material, structural and traffic engineering designs for proclaimed provincial roads; and
- To provide laboratory, survey, mapping, proclamation, and expropriation service.

Construction

- To construct and rehabilitate provincial proclaimed roads and related transport infrastructure;
- To assist local authorities with subsidies for infrastructure projects; and
- To construct roads and related transport infrastructure through community-based projects.

Maintenance

- To maintain provincial proclaimed roads and related transport infrastructure;

- To render technical support including radio network services and training; and
- To maintain roads and related transport infrastructure through community-based projects.

Programme contribution to specific Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

This Programme contributed to Departmental Outcome 1: An infrastructure foundation and capability for development and Outcome 4: Catalysing innovation, private sector development and climate-sensitive infrastructure.

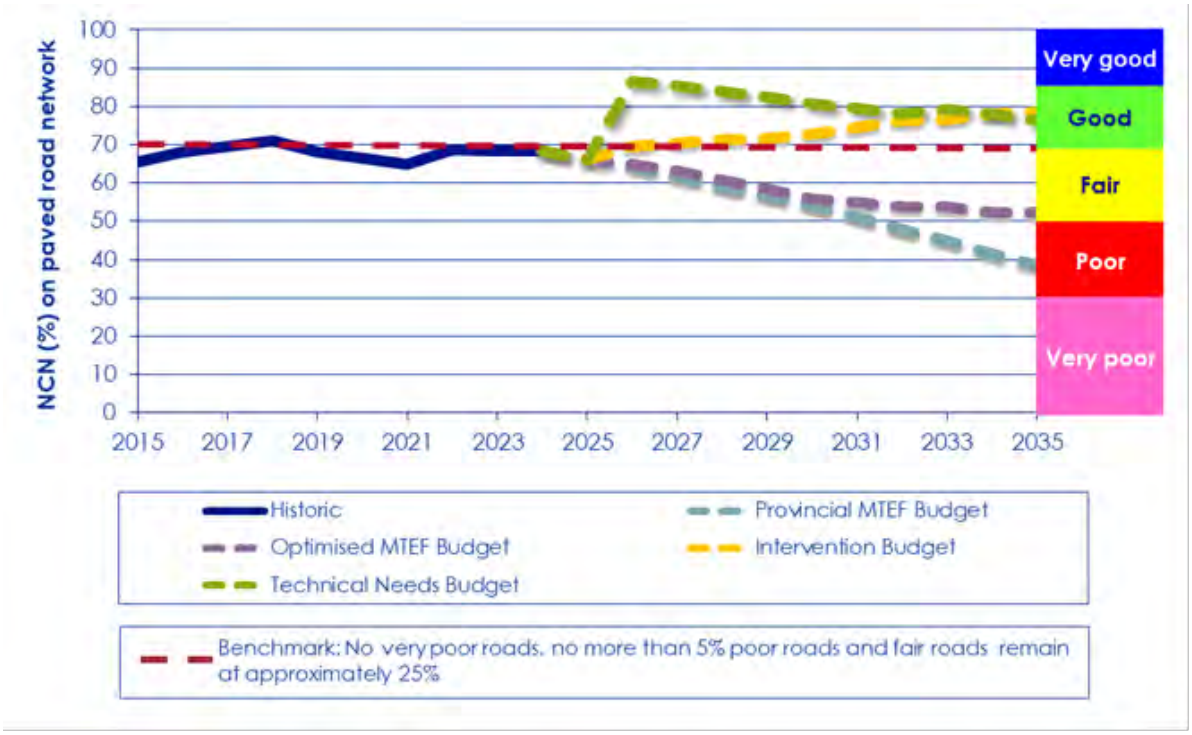
The Road Asset Management Plan (RAMP) 2026/27 to 2035/36 was completed during the year under review. The RAMP incorporated road pavement preservation information on the status of provincial roads and the effect of planned and current investment in roads on the future condition of the network.

In the absence of a fully optimised and integrated public transport and freight system, a well-maintained road network remains critical for supporting economic and social mobility and to link people with jobs, economic opportunities and education, health care and recreational facilities. Maintaining the existing road infrastructure at prescribed standards that optimise the efficient and safe realisation of these opportunities remains central to the long-term economic and social sustainability of the Western Cape.

Historic and current MTEF funding levels remain insufficient to maintain the road network at required standards, placing the provincial road asset base under increasing pressure. Given the nature of road infrastructure, deferred maintenance results in significantly higher lifecycle costs over time. Deteriorating road conditions also increase road user costs, placing additional strain on households and businesses.

The figures below reflect the current state and projected state of the provincial road infrastructure given various budget scenarios and provide a visual representation of the serious risk to the provincial paved road network under the current MTEF trajectory, represented by the turquoise trend line. This trajectory does not provide sufficient resources to maintain the assets optimally and it is forecast that overall network condition will decline into the "poor" category within the next ten years (Figure 4). The paved road network is the backbone for transit and the transportation of goods and services in the Western Cape, and the poor condition forecast for paved roads will damage the potential for economic growth.

Figure 4: Network Condition Number on paved road network

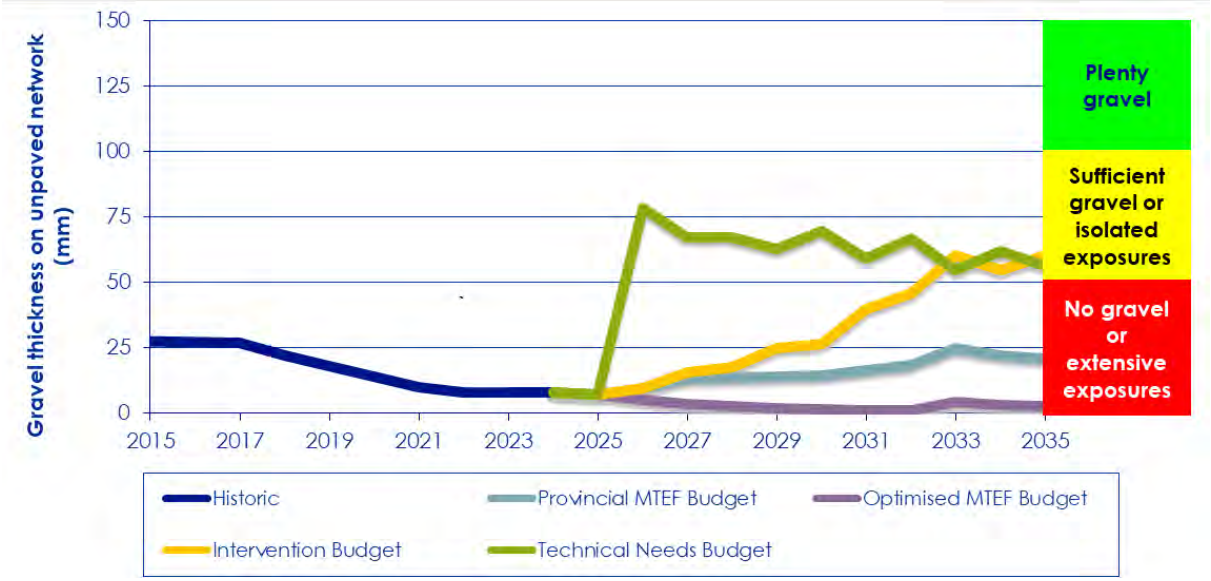


Source: Road Asset Management Plan 2026/27–2035/36.

The condition of the gravel road network reflects a more constrained position. The average gravel thickness has deteriorated to below 25mm, significantly below the acceptable norm of 75mm (Figure 5). This increases vulnerability to damage from weather events and limits the effectiveness of the network in supporting rural access and agricultural activity.

The unpaved road network, which consists primarily of collector and local class roads, plays a key role in providing access to land and supporting rural economic activity. Current funding levels are insufficient to maintain this network at minimum acceptable standards.

Figure 5: Gravel thickness on unpaved road network



Source: Road Asset Management Plan 2026/27–2035/36.

The RAMP further indicates that additional investment is required to stabilise the condition of the provincial road network. Approximately 75 per cent of surfaced roads have exceeded their 25-year design life, and the current maintenance backlog is estimated at approximately R32bn, based on the latest available validated data. This backlog includes the impact of prior flood damage and is expected to increase should current MTEF funding constraints persist.

Projects aimed at promoting economic growth continued across various stages of implementation during the year under review. Road construction and maintenance investment programmes were informed by ongoing improvements in asset management systems, supporting more targeted and efficient allocation of resources.

The development of the Western Cape Land Use and Transport Interaction Model continued during the period under review. This model will support improved long-term infrastructure planning and investment decision-making.

These conditions directly influence the Programme's ability to achieve its output indicators and targets, particularly in relation to road maintenance, rehabilitation, and network preservation.

The key projects listed below were completed in 2025/26 and have contributed towards the Transport Infrastructure Branch achieving its service delivery targets for the year under review.

Contract	Description
C0851	Rondevlei upgrade Divisional Road (DR)1609
C0914	Rehabilitation of MR168 between Annandale Road and Polkadraai
C0967	Malmesbury Bypass (Swartland)
C1000	Upgrade of TR02802 between Stanford and Gansbaai
C1105.01	Continuation of periodic maintenance of TR00902 – Du Toitskloof Pass from km0.21 to km21.25

Contract	Description
C1047.05	The completion of the widening of Bridge no.2221 over Maalgate River
C1049.03	Upgrading of Divisional Road 1098 (km5.47 to km8.79) and rehabilitation of Divisional Road 1098 (km8.79 to km14.24)
C1102.01	MR 201 (R301) between the N1 (Paarl) and the R45 (Wemmershoek)
C1215	The periodic maintenance of DR1770, DR1775, DR1782 and Ondergeskikte Pad (OP) 7202: Plettenberg Bay

The key projects listed below continued and will contribute towards the Branch achieving its service delivery targets in 2025/26.

Contract	Description
C749.02	Upgrading of MR191 (km0.0 to km9.57) and periodic maintenance of MR191 (km9.57 to km41.95)
C0964.02	Upgrade of TR33/1 at Beach Road Boulevard West and Garret Street
C1038.02	Safety improvements N7 Potsdam – Melkbos – Van Schoorsdrif Interchange
C1203.01	Continuation of periodic maintenance of TR30/2, TR31/1, DR1347, DR1379, DR1400 and DR1377 near Worcester
C1142	Upgrade of DR1099, strengthening of MR205 and periodic maintenance of MR189, DR1090 and OP5215 near Klapmuts
C1216	Periodic maintenance of MR310, DR1458 and DR1487 between Ceres and Op-die-Berg

Important new projects that commenced during 2025/26 are listed below.

Contract	Description
C733	Upgrading of Main Road 108 Between Trunk Road 2 Section 2 and Faure Marine Drive, Gordon's Bay
C1101	Strengthening of Trunk Road 1 Section 1 Between George (km19.360) and Oudtshoorn (km24.550)

The Programme's Outcomes, Outputs, Output Indicators, Targets and Actual Achievements are presented in Table 20 and 21.

Table 20: Programme 3: Transport Infrastructure: Performance information prior to in-year changes

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26 (until date of re-tabling)	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
SUB-PROGRAMME 3.1 SUPPORT TRANSPORT INFRASTRUCTURE										
Provincial Indicators										
3.1.3	1. An infrastructure foundation and capability for development.	Gravel roads visually assessed	Number of kilometres of gravel roads visually assessed as per the applicable TMH manual	10 532	10 511.16	10 511	0	(10 511)	The deviation from planned target measures performance achieved at the mid-year against an annual target. Assessments are performed in Q3 and Q4.	The reduction in the visual assessment target is due to the final road sections for the 2025/26 financial year being confirmed only in April 2025, after the APP was tabled. The adjustment reflects the actual planned kilometres based on the updated road network inventory and verified inspection schedule. This

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26 (until date of re-tabling)	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
										change does not arise from any budget or policy shift but rather ensures operational alignment between the planned visual inspections and confirmed implementation.
SUB-PROGRAMME 3.4: CONSTRUCTION										
Provincial Indicators										
3.4.2	1. An infrastructure foundation and capability for development. 2. Sustained delivery for maximum impact.	Work opportunities created	Number of work opportunities created	4 679	3 010	3 247	1 549	(1 698)	The deviation from planned target measures performance achieved at the mid-year against	The adjustment in the target reflects changes in the planned project implementation schedule for the latter part of the financial year. Several reseal projects initially planned for commencemen

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26 (until date of re-tabling)	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
									an annual target.	t in Quarter 4 have been deferred to accommodate the Department's prioritisation of urgent flood repair works arising from damage experienced in previous financial years. This realignment ensures resources are directed toward maintaining network functionality and safety while continuing to create employment opportunities through the ongoing

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26 (until date of re-tabling)	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
										construction and maintenance programme. The revision aligns the target with the current implementation plan.

Table 21: Programme 3: Transport Infrastructure: Performance Information including in-year changes

No	Outcome	Outputs	Output Indicators	Audited Actual Perfor-mance 2023/24	Audited Actual Perfor-mance 2024/25	Planned Annual Target 2025/26	Actual Achieve-ment 2025/26	Deviation from Planned Target to Actual Achieve-ment 2025/26	Reasons for deviations
SUB-PROGRAMME 3.1 SUPPORT TRANSPORT INFRASTRUCTURE									
Provincial Indicators									
3.1.1	1. An infrastructure foundation and capability	Road Asset Management Plans	Number of consolidated infrastructure plans developed	1	1	1	1	0	n/a

No	Outcome	Outputs	Output Indicators	Audited Actual Perfor-mance 2023/24	Audited Actual Perfor-mance 2024/25	Planned Annual Target 2025/26	Actual Achieve-ment 2025/26	Deviation from Planned Target to Actual Achieve-ment 2025/26	Reasons for deviations
3.1.2	for development.	Surfaced roads visually assessed	Number of kilometres of surfaced roads visually assessed as per the applicable Technical Methods for Highways (TMH) manual	7 149	7 177.87	7 178	7 194	16	The targets for this indicator were based on the achievements of the previous financial year. At the time of target setting, the final list of roads for the 2025/26 visual assessments had not yet been confirmed and was subsequently updated during the annual Road Network Information System (RNIS) synchronisation process. The synchronisation process resulted in adjustments to the surfaced road network inventory, including roads upgraded from gravel to surfaced standard and network verification updates. This increased the total surfaced road network available for assessment during the reporting period, which contributed to the

No	Outcome	Outputs	Output Indicators	Audited Actual Perfor-mance 2023/24	Audited Actual Perfor-mance 2024/25	Planned Annual Target 2025/26	Actual Achieve-ment 2025/26	Deviation from Planned Target to Actual Achieve-ment 2025/26	Reasons for deviations
									higher number of visual inspections completed.
3.1.3		Gravel roads visually assessed	Number of kilometres of gravel roads visually assessed as per the applicable TMH manual	10 532	10 511.16	10 363	10 363	0	n/a
SUB-PROGRAMME 3.4: CONSTRUCTION									
Provincial Indicators									
3.4.1	1. An infrastructure foundation and capability for development 2. Sustained delivery for maximum impact	Gravel roads upgraded to surfaced roads	Number of kilometres of gravel roads upgraded to surfaced roads	11.43	3.4	25.35	22.7	(2.65)	The underachievement against the target was mainly attributable to delays experienced on Contract C1142 during the reporting period. As a result, the project, which was planned to be completed within the 2025/26 financial year, could not be completed as planned and the outstanding works are envisaged to be completed

No	Outcome	Outputs	Output Indicators	Audited Actual Perfor-mance 2023/24	Audited Actual Perfor-mance 2024/25	Planned Annual Target 2025/26	Actual Achieve-ment 2025/26	Deviation from Planned Target to Actual Achieve-ment 2025/26	Reasons for deviations
									in the following financial year
3.4.2		Work opportunities created	Number of work opportunities created	4 679	3 010	3 000	2 881	(119)	The underachievement against the target was attributable to lower than planned work opportunities generated on certain projects during the reporting period.
3.4.3		Youth employed	Number of youths employed (18-35)	2 664	1 674	1 786	1 552	(234)	The underachievement against the target was attributable to lower than anticipated youth participation on projects implemented during the reporting period, together with participant exclusions arising from the EPWP verification and validation process.
3.4.4		Women employed	Number of women employed	1 666	1 137	812	1 023	211	The overperformance against the target was attributable to a higher number of women participating in EPWP work

No	Outcome	Outputs	Output Indicators	Audited Actual Perfor-mance 2023/24	Audited Actual Perfor-mance 2024/25	Planned Annual Target 2025/26	Actual Achieve-ment 2025/26	Deviation from Planned Target to Actual Achieve-ment 2025/26	Reasons for deviations
									opportunities during the reporting period.
3.4.5		Persons with disabilities employed	Number of persons with disabilities employed	6	6	4	10	6	The overperformance against the target was attributable to a higher number of persons with disabilities participating in EPWP work opportunities during the reporting period.
SUB-PROGRAMME 3.5: MAINTENANCE									
Provincial Indicators									
3.5.1	1. An infrastructure foundation and capability for development 2. Sustained delivery for maximum impact	Surfaced roads rehabilitated	Number of square metres of surfaced roads rehabilitated	0	503 602	364 702	272 816	(91 886)	The underachievement against the target was mainly attributable to delays experienced on Contract C1142 during the reporting period. As a result, the project, which was planned to be completed within the 2025/26 financial year, could not be completed as planned and the outstanding works are envisaged to be completed in the following financial year.

No	Outcome	Outputs	Output Indicators	Audited Actual Perfor-mance 2023/24	Audited Actual Perfor-mance 2024/25	Planned Annual Target 2025/26	Actual Achieve-ment 2025/26	Deviation from Planned Target to Actual Achieve-ment 2025/26	Reasons for deviations
3.5.2		Surfaced roads resealed	Number of square metres of surfaced roads resealed	2 751 858	4 378 209	392 406	565 096.4	172 690.4	The overperformance against the target was attributable to additional resealing works undertaken by District Municipalities, which were not included in the original planned targets as these projects had not yet been finalised at the time of target setting.
3.5.3		Gravel roads re-gravelled	Number of kilometres of gravel roads re-gravelled	69	63	100	107.85	7.85	The overperformance against the target was attributable to favourable operational conditions during the reporting period, which enabled the implementing teams to optimise available resources and complete an additional 7.85 km of regravel works within the planned timeframe and available budget.
3.5.4		Surfaced roads blacktop patched	Number of square metres of blacktop patching	95 976	25 882	30 000	26 605.06	(3 394.94)	The underperformance against the target was attributable to the reactive

No	Outcome	Outputs	Output Indicators	Audited Actual Perfor-mance 2023/24	Audited Actual Perfor-mance 2024/25	Planned Annual Target 2025/26	Actual Achieve-ment 2025/26	Deviation from Planned Target to Actual Achieve-ment 2025/26	Reasons for deviations
									nature of blacktop patching activities, where maintenance interventions are undertaken based on operational requirements identified during the reporting period.
3.5.5		Gravel roads bladed	Number of kilometres of gravel roads bladed	41 117	46 517	32 000	52 289.97	20 289.97	The overperformance against the target was attributable to additional blading interventions required across the gravel road network during the reporting period, based on actual operational maintenance needs identified through routine inspections and condition assessments. As a result, more kilometres were bladed than originally planned during the 2025/26 financial year.

No	Outcome	Outputs	Output Indicators	Audited Actual Perfor-mance 2023/24	Audited Actual Perfor-mance 2024/25	Planned Annual Target 2025/26	Actual Achieve-ment 2025/26	Deviation from Planned Target to Actual Achieve-ment 2025/26	Reasons for deviations
3.5.6		Implementation of the National Contractor Development Programme (NCDP) in Road Infrastructure projects	Number of contractors participating in the National Contractor Development Programme (NCDP)	67	64	55	87	32	The target for the indicator was based on the anticipated level of subcontracting opportunities available at the time of planning. During implementation, a higher number of contractors participated in maintenance and construction activities than originally anticipated, resulting in a higher actual achievement during the reporting period.

Linking performance to budgets

Sub-Programme expenditure

Table 22:Programme 3: Transport Infrastructure: Sub-programme expenditure

Sub-Programme		2025/26			2024/25		
		Final appropria-tion **R'000**	Actual expendi-ture **R'000**	(Over)/ under expendi-ture **R'000**	Final appropria-tion **R'000**	Actual expendi-ture **R'000**	(Over)/ under expendi-ture **R'000**
3.1	Programme Support Transport Infrastructure	234 382	234 363	19	177 309	177 309	0
3.2	Infrastructure Planning	23 082	23 082	0	15 229	15 229	0
3.3	Infrastructure Design	204 656	204 656	0	144 488	144 488	0
3.4	Construction	1 797 830	1 794 681	3 149	2 090 995	2 079 321	11 674
3.5	Maintenance	3 136 858	2 944 965	191 893	3 250 811	2 681 719	569 092
Total		5 396 808	5 201 747	195 061	5 678 832	5 098 066	580 766

Strategies to overcome areas of under-performance

The Branch continuously seeks to strengthen internal systems and processes to support better planning and performance against APP targets. Going forward, this will include proactive engagement with contractors regarding the capturing of work opportunities and supporting information to ensure that all qualifying work opportunities created on site can be reported on.

Changes to planned targets

There were changes in targets for indicators 3.1.3 and 3.4.2 which was approved in the in-year change process and is reflected in the Tables 20 and 21 above.

Performance in relation to Standardised Outputs and Output Indicators for sectors with concurrent functions

Programme 3 has no standardised indicators for the 2025/26 financial year. This was a sector decision made by all provinces during the 2025/26 financial year.

5.4 Programme 4: Human Settlements

Purpose

The purpose of this Programme is to promote sustainable integrated human settlement development in the Western Cape.

Sub-programmes

- Programme Support Human Settlements;
- Human Settlements Needs, Research and Planning;
- Human Settlements Development; and
- Human Settlements Asset Management

Purpose of Sub-programme

Programme Support Human Settlements

To provide operational support to the Programme for the Programme Manager, support staff, and all related costs (including office accommodation).

Human Settlements Needs, Research and Planning

To facilitate and undertake housing delivery needs, research, and planning.

Human Settlements Development

To provide housing opportunities, including access to basic services, to beneficiaries in accordance with the Housing Code.

Human Settlements Asset Management

To provide for the strategic, effective, and efficient management, devolution and transfer of housing assets.

Programme contribution to specific Outcomes, Outputs, Output Indicators and Targets

This Programme contributes to three outcomes namely Outcome 1: An infrastructure foundation and capability for development, Outcome 3: Leveraging infrastructure portfolio to bring about fundamental spatial transformation, and Outcome 4: Catalyst for innovation, private sector development and climate-sensitive infrastructure.

By contributing to the realisation of Outcome 3: Leveraging infrastructure portfolio to bring about fundamental spatial transformation, the DOI facilitated investment of over 40 per cent of its human settlement allocation to priority development areas. Through coordinated project support to municipalities across the province, together with enhancement of datasets (HS pipeline and informal settlement database) and tools such as GIS Arc Web Viewer, the Department continued to advance spatial transformation informed by sound integrated planning principles.

The DOI facilitated the delivery of 6 565 deeds across all categories against the target of 4 500. This achievement was realised as a result of improved efficiencies and processes in the Department. The DOI will continue to improve its systems to ensure that current beneficiaries receive their title deeds timeously and the challenges encountered in addressing the backlog are dealt with expeditiously. The improved efficiencies were largely attributed to including extensive data analytics in the processing of title deed information across all projects and the finalisation of a policy framework to link project completion and core technical indicators to address outstanding transfers. Increased support was provided to local municipalities to facilitate the geo-spatial and land-legal constraints of the Title Deed Restoration Project within the greater context of providing secure tenure to qualifying families.

During the 2025/26 financial year, the DOI provided technical support to 26 local municipalities as well as the Garden Route District Municipality by commenting on the human settlement elements of their annually reviewed IDPs. These comments sought to align the municipal human settlement strategy with provincial strategies, to encourage locating planned human settlements in priority development areas, and to include provincial commitments in municipal projects.

While these interventions aimed to influence short- to medium-term housing priorities, the DOI also influenced municipalities' long-term planning alignment with the SDF. Through the five SDFs, the affected municipalities were enabled to identify future areas for human settlement development. Furthermore, identifying areas for other forms of investment that can support the development of functional settlements. These municipalities are Knysna, Laingsburg, Drakenstein, Garden Route, and Kannaland.

These departmental inputs have become incorporated into municipalities' housing pipelines for the forthcoming financial years, resulting in over 70 per cent of the pipelines being council-endorsed. All the local municipalities received support from the DOI to develop their housing pipelines and to package project initiation documents for project planning committee meetings. Many of these projects are now included in the Provincial Business Plan.

In addition to the above, the DOI funded and supported Mossel Bay Local Municipality to complete its development plan for the gazetted PHSHDAs.

With reference to the Upgrading of Informal Settlement Programme (UISP) indicators funded through the Informal Settlement Upgrading Partnership Grant (ISUPG), Phase 1 interventions for the Driftsands Nature Reserve Emergency Relocation, Greater Villiersdorp, and North Mandela Square (Zwelethemba) projects were completed in the previous financial year. These projects comprised nine (9) informal settlement pockets and are expected to advance to Phase 2 in the future financial years. In addition, the Chester Williams - various Informal Settlement project (Erf 1346) completed Phase 2 and is expected to advance to Phase 3 in the subsequent financial year.

During the year under review (2025/26), four (4) informal settlement pockets within the Greater Villersdorp and ISSP Zwelethemba North projects, funded through the ISUPG achieved completion of planning, packaging, and feasibility in Phase 2 UISP. Vredendal

Siqhawuqha Phase 8 UISP (367 sites) and De Hoop, Phola Park UISP (Enhanced Serviced Sites) project successfully achieved completion of Phase 3 of the UISP.

The Programme's Strategic Objectives, Performance Indicators, Planned Targets and Actual Achievements are presented in Tables 23 and 24.

Table 23: Programme 4 Human Settlements: Performance Information prior to in-year changes

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26 (until date of re-tabling)	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
SUB-PROGRAMME 4.3: HUMAN SETTLEMENTS DEVELOPMENT										
National Indicators										
4.3.2	1. An infrastructure foundation and capability for development	Housing units	Number of Breaking New Ground (BNG) houses delivered	3 706	2 912	4 113	1 601	(2 512)	The deviation from planned target measures performance achieved at the mid-year against an annual target	Performance during Q1 and Q2 was positive, however, the post mid-year assessment of the business plan (housing units) by the Programme identified, drop in targets and non-implementation of projects in this financial year across the business plan. Main contributors were the drop in targets on Saldanha Bay,

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26 (until date of re-tabling)	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
										Witteklip not being implemented in the fin year and a reduction on the Louwville project. The global effect is the reduction of 112 units across this indicator. This adjusted business plan (October 2025) was subsequently sent to National to monitor and oversight.
4.3.3		Service sites	Number of serviced sites completed	693	4 853	3 022	388	(2 634)	The deviation from planned target measures performance	The following projects could not be implemented in the financial year: Drakenstein Chester Williams

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26 (until date of re-tabling)	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
									achieved at the mid-year against an annual target	and Lovers Lane, Mossel Bay NUSP, Witteklip. In addition, the targets for Destiny Farm were reduced substantially due to bulk challenges.

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26 (until date of re-tabling)	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
SUB-PROGRAMME: 4.3 HUMAN SETTLEMENTS DEVELOPMENT										
National Indicators										
4.3.4	1. An infrastructure foundation and capability for development	Informal Settlements completed in phase 1	Informal Settlements completed in phase 1	n/a	n/a	5	0	(5)	The deviation from planned target measures performance achieved at the mid-year against an annual target	On the backdrop of the informal settlement Programme (ISUP) being flagged as a high priority. Engagements with National confirmed that there is no issue with adopting PoE from previous years for reporting performance. The Department adopts a 3 year retrospective approach for Phase 1 and a 2 year retrospective approach for Phase 2

4.3.6		Number of Informal Settlements completed in Phase 3	Number of Informal Settlements upgraded in Phase 3	3	1	2	0	(2)	The deviation from planned target measures performance achieved at the mid-year against an annual target	The budget reductions implemented toward the end of the previous financial year have had a direct impact on the current year's target projections. Consequently, the projects listed against the target will only deliver a portion of the planned permanent engineering serviced sites and will not result in the full upgrading of settlements to Phase 3. Subsequent to the in-year change clarity was obtained regarding the reporting requirements. It was then identified that 2

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26 (until date of re-tabling)	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
										projects were completed in Phase 3 and reported below

Table 24: Programme 4: Human Settlements: Performance Information including in-year changes

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
SUB-PROGRAMME: 4.3 HUMAN SETTLEMENTS DEVELOPMENT									
National Indicators									
4.3.1	1. An infrastructure foundation and capability for development	First Home Finance (FHF)	Number of subsidies disbursed through FHF	1 079	1 330	900	1 165	265	Departmental interventions such as assistance with property in possession (PIP) with financial institutions and community awareness campaigns with financial institutions have resulted in an increase in the approval and processing of these subsidies.

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
4.3.2		Housing units	Number of housing units completed	3 706	2 912	4 001`	3 411	(590)	Underperformance was attributed to external constraints across several projects. These included vandalism and theft of electrical infrastructure at Mau Mau, as well as gang-related unrest in the Edward Street (Ottery) area, which disrupted construction progress. In the West Coast region, delays were caused by initially high tender pricing requiring re-advertisement (Laingville), while contractor underperformance and failure to meet required quality standards affected delivery at Louwville.
4.3.3	1. An infrastructure foundation and	Service sites	Number of serviced sites completed	693	4 853	2 255	1 358	(897)	Underperformance was attributed to the following regions: • City of Cape Town, delays experienced at

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
	capability for development								Airport Infills due to ongoing threats of violence and intimidation resulting in project suspension. • West Coast region, underperformance was attributed to environmental restrictions limiting development within an approved area causing delays in requiring environmental authorisation amendment (Bitterfontein). In Malmesbury (De Hoop), underperformance was attributed to a misalignment between planning assumptions and APP reporting definitions, where sectional-title developments

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
									requiring full bulk and internal services could not be fully recognised as serviced sites. • Overberg region, underperformance was attributed to unforeseen/unplanned work performed on site. Additional funding was requested which caused delays in the commencement of the project (Destiny Farm). In addition, exclusion of sites due to municipal servitude registration (Struisbaai). Garden Route, underperformance was attributed to slow municipal procurement processes, resulting in late contractor appointment and delayed project commencement, compounded by delays in adjustment budget

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
									approval (Qolweni (Bitou). At Thembalethu (George), under-performance was due to the time-consuming relocation of illegal occupants and structures, as well as procurement delays that resulted in late contractor appointments and subsequent under achievement.
4.3.4	1. An infrastructure foundation and capability for development	Informal Settlements completed in phase 1	Number of Informal Settlements completed in Phase 1	n/a	n/a	3	0	(3)	The introduction of this sector indicator in 2025/26 FY has led to uncertainty on the reporting parameters of the indicator and resulted in an underperformance. The uncertainty has limited the DOI from reporting on 3 projects that have completed Phase 1 due to evidence residing in the prior year. These projects have not been finalised in Phase 2. This further limited the DOI from reporting on

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
									the informal Settlement Upgrade pipeline.
4.3.5	1. An infrastructure foundation and capability for development	Informal Settlements completed in phase 2	Number of Informal Settlements completed in Phase 2	n/a	n/a	5	4	(1)	The introduction of this sector indicator in 2025/26 FY has led to uncertainty on the reporting parameters of this indicator. The uncertainty has limited the DOI from reporting on 1 project that was completed in Phase 2 due to evidence residing in the prior years
4.3.6	1. An infrastructure foundation and capability for development	Informal Settlements completed in phase 3	Number of Informal Settlements upgraded in Phase 3	3	1	0	2	2	The overperformance is attributed to: 2 projects progressed from Phase 2 and completed Phase 3 in the current financial year and completed. The Phase 3 informal settlement upgrade classification was applied based on the interpretation of the definition at the time of project initiation. A

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
									subsequent review of the definition, in relation to the completed works, confirms that these projects represent a full informal settlement upgrade with complete service provision, including access roads, stormwater management, water and sewer infrastructure, and electrification. It should be noted the formal exemption letter was not obtained from National however delivery was made as planned

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
Provincial Indicators									
4.3.7	1. An Infrastructure foundation and capability for development	Individual (Non-Credit Linked) subsidies disbursed	Number of beneficiaries earning between R0 – R3 500 per month provided with subsidies through the Individual Subsidy (Non-Credit Linked) Programme	243	537	130	637	507	Departmental interventions such as assistance with property in possession (PIP) with financial institutions and community awareness campaigns with financial institutions have resulted in an increase in the approval and processing of these subsidies.

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from Planned Target to Actual Achievement 2025/26	Reasons for deviations
SUB-PROGRAMME: 4.4 HUMAN SETTLEMENTS ASSET MANAGEMENT									
National Indicators									
4.4.1	3. Leveraging infrastructure portfolio to bring about fundamental spatial transformation	Title deeds registered	Number title deeds registered	5 007*	6 515*	4 500	6 565	2 065	The achieved transfers exceeded the expectations. The overachievement was primarily linked to the increased operational support provided to municipalities to facilitate progress, together with the refinement of the reporting process through constant strengthening of the data verification. The refinement continues to strength available resources to consistently address the outstanding transfer backlog

*Note: *The Audited Actual Performance in the previous financial years was disaggregated into 4 different indicators (4.4.1, 4.4.2, 4.4.3 and 4.4.4). In the current financial year, the 4 indicators collapsed into one indicator (4.4.1).*

Note: With reference to audited actual performance "n/a" means the indicators were not included in the annual performance plans for those respective years and therefore not reported in the Annual Reports.

Linking performance to budgets

Sub-Programme expenditure

Table 25: Programme 4: Human Settlements: Sub-programme expenditure

Sub-Programme		2025/26			2024/25		
		Final appropri-ation **R'000**	Actual expendi-ture **R'000**	(Over)/ under expendi-ture **R'000**	Final appropri-ation **R'000**	Actual expendi-ture **R'000**	(Over)/ under expenditure **R'000**
4.1	Programme Support Human Settlements	98 287	98 287	0	32 808	32 808	0
4.2	Human Settlements Needs, Research and Planning	21 798	21 798	0	19 801	19 801	0
4.3	Human Settlements Development	2 216 616	2 216 613	3	2 155 036	1 860 177	294 859
4.4	Human Settlements Asset Management	110 885	98 860	12 025	108 447	97 572	10 875
Total		2 447 586	2 435 558	12 028	2 316 092	2 010 358	305 734

Strategies to overcome areas of under-performance

In terms of Informal settlements, the newly included indicators have led to the refinement of newly adopted technical indicators. This has caused that performance moved between Phase 1, Phase 2 and Phase 3 for informal settlements, as they progressed, which then comes across as under-reporting for Phase 2. In this year, the DOI will engage with NDoHS and tie down the technical description, so that the targets per indicator have finite outcomes and stay within their description type.

The Branch will improve on its consultation process with relevant stakeholders to help ensure that it achieves its targets and mitigate the risk of under-performance through:

- Conducting regular technical meetings with municipalities to help ensure alignment of performance reporting as well as to address areas of concern;
- Conducting regular meetings with communities to address any issues they may have;
- Identifying projects that can be brought forward or accelerated to mitigate any in-year issues arising on projects with delivery challenges through the Business Plan process;
- Strengthening intergovernmental coordination between provincial and local government spheres, as well as entities such as Eskom, to improve project planning, implementation, and reporting accountability.

- Improving project monitoring and evaluation systems to enable the early identification of risks, delays, and budgetary pressures, allowing for timely corrective action.
- Enhancing contractor performance management through stricter monitoring of service providers, improved contract management, and the enforcement of consequence management where necessary.
- Increasing capacity-building initiatives and technical support for municipalities to improve institutional capability and programme implementation.
- Leveraging digital systems and data management tools to improve the accuracy, reliability, and timeliness of performance information and reporting.

Provincial title deed transfer performance has declined over the last few years.

- The main challenge in respect of all spheres of government is a lack of human resources to drive the eradication of the title deeds backlog. The DOI appointed a dedicated Title Deeds Project Manager who is focused on improving coordination between the DOI and municipalities, as well as driving the establishment of an improved policy environment.
- A due diligence exercise is required to understand the complexities around the title deeds backlog per project and per municipality. This will inform the appointment of suitable service providers to render targeted municipal and provincial support.
- A specific focus is needed on data gathering and data cleansing, which requires specific technical and information management skills in the form of appointing a data analyst and an information analyst.
- The information on the Human Settlements System (HSS) regarding title deeds is incomplete and therefore unreliable. A technical data and information solution would require correlating data across various systems (held by different organisations), data consolidation and cleaning, data reporting compilation, and data analysis.
- The Provincial Title Deeds Policy Framework must be updated with recommendations for necessary legislative and policy changes, as well as guidance for municipalities to enable them to develop focused policies around complicated matters (e.g., beneficiary regularisation).
- An analysis and audit of all property owned by the Branch: Human Settlements will be undertaken, clearly identifying those properties for which the Branch has title deeds.
- A plan will be developed for replacing title deeds where this may be necessary.

Changes to planned targets

There were changes in targets for indicators 4.3.2, 4.3.3, 4.3.4 and 4.3.6 which were approved in the in-year change process and are reflected in the Tables 24 and 25 above.

Performance in relation to Standardised Outputs and Output Indicators for sectors with concurrent functions

In terms of Informal settlements upgraded, the newly included indicators have led to the refinement of newly adopted technical indicators. This has caused that performance moved between Phase 1, Phase 2 and Phase 3 for informal settlements, as they

progressed, which then comes across as under-reporting for Phase 2. As previously mentioned, the DOI will engage with NDoHS and tie down the technical description, so that the targets per indicator have finite outcomes and stay within their description type.

Funding for community residential units (CRUs) is generated through rental income. However, the low collection rate adversely affects the Department's ability to fulfil the CRU mandate. Additionally, the cost of delivering CRUs exceeds that of BNG units. As a result, the Department has excluded the number of CRU delivered and the number of rental social housing units from its APP.

5.5 Programme 5: Community Based Programmes/ Expanded Public Works Programme

Purpose

The purpose of this Programme is to manage the implementation of programmes and strategies that lead to the development and empowerment of communities and contractors, including the provincial management and coordination of the EPWP.

Sub-programmes

- Programme Support Community-Based/ EPWP;
- Innovation and Empowerment; and
- Coordination and Compliance Monitoring.

Purpose of Sub-programme

Programme Support Community-Based/ EPWP

To manage and support the programme.

Innovation and Empowerment

- To implement construction-related skills development programmes, including the National Youth Service and apprenticeships;
- To provide for contractor development in the construction industry, particularly focusing on emerging contractors;
- To provide for the optimisation of empowerment opportunities on departmental infrastructure projects; and
- To provide implementing bodies with support and advice on labour-based construction techniques.

Coordination and Compliance Monitoring

- To monitor and evaluate the performance of EPWP in the province, ensuring compliance to programme prescripts and reporting on job creation development; and
- To provide government implementing bodies in the four different sectors (infrastructure, social, environment and culture, and non-state) with technical support to increase their contribution to the nationally set EPWP work opportunities targets.

Programme contribution to specific Outcomes, Outputs, Output Indicators and Targets

This Programme contributed to Departmental Outcome 1: An infrastructure foundation and capability for development.

The CDP to play an important role in assisting contractors by creating training opportunities, especially for previously disadvantaged and small-scale contractors. These programmes included skills and business training, information sessions, and mentoring. The Foundation and Advanced Training and Mentoring Programme continued to support

enterprise development of CIDB Grade 1–5 contractors. The aim was to help participating enterprises become compliant with construction industry norms and with legislative prescripts for entities wishing to tender for government contracts.

Skills development programmes in the year under review focused on apprenticeships and construction-related skills development programmes that form part of the National Youth Service programme. These youths were placed on a 12-month programme to acquire construction industry skills such as plumbing, electrical work and welding to enhance their ability to access economic opportunities. The DOI funds apprenticeships from its operational budget.

The Capacity Building and Economic Empowerment component supports the Branch: Human Settlements with training initiatives in its projects throughout the province. During the reporting period this component ensured that 82 young persons successfully completed their apprenticeship trade testing after completing 3 years of theoretical training and experiential learning with private sector partners. In partnership with the National Home Builders Council, youth received accredited training in various Human Settlements projects in the Western Cape. Learners were recruited from Local municipal areas where projects are underway and empowering them to actively participate in the housing delivery value chain.

The Department continued to implement EMPIAs on DOI projects worth more than R10m to measure the impacts that construction projects could have on the local community where they are implemented. In the year under review, 13 EMPIAs were initiated in respect of planned DOI infrastructure projects. Twenty-three projects were monitored, and the results made available through empowerment target implementation reports. The Community-Based and EPWP Programme supported implementing DOI directorates and their client departments to undertake 23 community engagements during the year under review.

The DOI continued to coordinate the EPWP and provide support to implementing bodies in the Western Cape in order increase the total number of work opportunities created across all spheres of government and specifically targeting women participants, youth and people with disabilities. This support included the provision of technical support to improve the quality of EPWP data management and processing of EPWP performance data on the EPWP Reporting System by 12 institutional forums and approximately 39 public bodies.

The DOI continued to coordinate the HCE. The DOI ensured the rollout of HCE sessions in approved housing projects and supported other capacity building initiatives, in line with the DOI's mandate to educate housing beneficiaries and the general public on housing matters. The DOI continued to provide administrative and empowerment support to human settlements officials in various municipalities across the Western Cape. The HCE Programme enabled a total of 41 022 housing beneficiaries to understand their roles, rights and responsibilities as new homeowners, and informed communities about how to access housing-related services.

The Programme's Outcomes, Outputs, Output Indicators, Targets and Actual Achievements are presented in Table 26.

Table 26: Community Based Programmes / Expanded Public Works Programme Performance Information originally tabled

No	Outcome	Outputs	Output Indicators	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual target 2025/26	Actual achievement 2025/26	Deviation from planned target to actual achievement 2025/26	Reasons for deviations
SUB-PROGRAMME 5.3: INNOVATION AND EMPOWERMENT									
Provincial Indicators									
5.3.1	2. Sustained delivery for maximum impact	Capacity building interventions facilitated	Number of capacity development interventions facilitated in alignment with the Human Settlements Built Environment.	n/a	n/a	2	2	0	n/a
5.3.2		Empowerment interventions implemented	Number of beneficiary empowerment Interventions	3	3	2	2	0	n/a
5.3.3	2. Sustained delivery for maximum impact	Contractor Development Programme interventions provided	Number of Contractor Development interventions provided	90	120	4	4	0	n/a

SUB-PROGRAMME 5.4: COORDINATION AND COMPLIANCE MONITORING									
Provincial Indicators									
5.4.1	2. Sustained delivery for maximum impact	Participation of public bodies in EPWP	Number of public bodies reporting on EPWP targets within the province	38	39	39	39	0	n/a

Linking performance to budgets

Sub-Programme expenditure

Table 27: Programme 5: Community-Based Programmes: Sub-programme expenditure

Sub-Programme Name		2025/26			2024/25		
		Final appropri-ation **R'000**	Actual expen-diture **R'000**	(Over)/ under expen-diture **R'000**	Final appropri-ation **R'000**	Actual expen-diture **R'000**	(Over)/ under expen-diture **R'000**
5.1	Programme Support Community	6 100	6 100	0	6 091	6 091	0
5.2	Community Development	0	0	0	0	0	0
5.3	Innovation and Empowerment	56 822	56 822	0	53 372	53 372	0
5.4	Coordination and Compliance Monitoring	16 680	16 680	0	15 541	15 541	0
Total		79 602	79 602	0	75 004	75 004	0

Strategy to overcome areas of under-performance

No under-performance was recorded for the Programme.

Changes to planned targets

No changes were made to planned targets during the period under review.

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

Programme 5 has no standardised indicators.

6 Transfer payments

6.1 Transfer payments to public entities

No transfer payments were made to public entities.

6.2 Transfer payments to all organisations other than public entities

The tables below reflect the transfer payments made for the period 1 April 2025 to 31 March 2026 per Programme.

Programme 1: Administration

Programme 1: Transfer payments

No transfer payments made for 2025/26

Programme 2: Public Works Infrastructure

The transfer payments per municipality listed in Table 28 relate to the payment of property rates in respect of provincially owned and deemed-owned properties.

Table 28: Programme 2: Transfer payments in respect of property rates

Name of recipient	Amount transferred (R'000)
Beaufort West Local Municipality	6 526
Bergrivier Local Municipality	2 621
Bitou Local Municipality	1 871
Breede Valley Local Municipality	17 680
Cape Agulhas Local Municipality	2 208
City of Cape Town	559 007
Cederberg Local Municipality	4 021
Drakenstein Local Municipality	14 955
George Local Municipality	18 960
Hessequa Local Municipality	1 992
Kannaland Local Municipality	4 667
Knysna Local Municipality	5 538
Laingsburg Local Municipality	632
Langeberg Local Municipality	3 944
Matzikama Local Municipality	2 965
Mossel Bay Local Municipality	1 332
Oudtshoorn Local Municipality	11 645
Overstrand Local Municipality	3 445
Prince Albert Local Municipality	445
Saldanha Bay Local Municipality	8 236
Stellenbosch Local Municipality	12 226
Swartland Local Municipality	6 050
Swellendam Local Municipality	2 042
Theewaterskloof Local Municipality	7 189

Name of recipient	**Amount transferred (R'000)**
Witzenberg Local Municipality	10 222
Total	710 419

Programme 3: Transport Infrastructure

Table 29: Programme 3: Transport Infrastructure transfer payments

Name of transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred **(R'000)**	Amount spent by the entity **(R'000)**	Reasons for the funds unspent by the entity
Bergrivier Local Municipality	To financially assist/ subsidise municipalities with the maintenance/ construction of proclaimed municipal main roads, where the municipality is the road authority (section 50 of Ordinance 19 of 1976).	Complied	95	95	-
Breede Valley Local Municipality		Complied	200	200	-
Cape Agulhas Local Municipality		Complied	85	85	-
Cederberg Local Municipality		Complied	959	959	-
Drakenstein Local Municipality		Complied	2 040	2 040	-
George Local Municipality		Complied	7 144	7 144	-
Hessequa Local Municipality		Complied	135	135	-
Knysna Local Municipality		Complied	69	69	-
Laingsburg Local Municipality		Complied	50	50	-
Langeberg Local Municipality		Complied	135	135	-
Matzikama Local Municipality		Complied	19 255	19 255	-
Oudtshoorn Local Municipality		Complied	140	140	-
Overstrand Local Municipality		Complied	130	130	-
Stellenbosch Local Municipality		Complied	335	335	-
Swartland Local Municipality		Complied	11 900	11 900	-
Swellendam Local Municipality		Complied	276	276	-
Theewaterskloof Local Municipality		Complied	3 808	3 808	-

Witzenberg Local Municipality		Complied	130	130	-
Total			46 886	46 886	-

Transfer payments for Category B municipalities are only effected upon submission of claims for work done in terms of the service level agreements concluded with all the municipalities. The transfers are monitored through the In-Year Expenditure Monitoring and Reporting and Grant Framework reporting processes.

Table 30: Programme 4: Human Settlements transfer payments

Name of transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred **(R'000)**	Amount spent by the entity **(R'000)**	Reasons for the funds unspent by the entity
Berg River Local Municipality	Provincial contribution towards the acceleration of housing delivery	Complied	13 402	11 102	Unspent funds to be paid back to DOI
Matzikama Local Municipality		Complied	4 820	4 714	Municipality aims to spend the balance by 30 June 2026
Mossel Bay Local Municipality		Complied	388	388	-
Overstrand Local Municipality		Complied	5 638	5 638	-
Swellendam Local Municipality		Complied	13 935	13 935	.
City of Cape Town District Municipality	Municipal Accreditation	Complied	19 057	17 717	Municipality aims to spend the balance by 30 June 2026
Garden Route District Municipality		Complied	1 500	1 500	-
City of Cape Town Metropolitan Municipality	Title Deeds Restoration Grant	Complied	7 171	7 171	-
Bergrivier Local Municipality		Complied	376	376	-
Bitou Local Municipality		Complied	135	135	-
Breede Valley Local Municipality		Complied	779	48	Claims rejected due to it being submitted in prior year. Funds to be paid back to DOI.
Cape Agulhas Local Municipality		Complied	128	128	-
Cederberg Local Municipality		Complied	140	140	-

Name of transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
George Local Municipality		Complied	321	321	-
Hessequa Local Municipality		Complied	331	331	-
Langeberg Local Municipality		Complied	304	304	-
Mossel Bay Local Municipality		Complied	202	202	-
Oudtshoorn Local Municipality		Complied	58	58	-
Saldanha Bay Local Municipality		Complied	669	669	-
Stellenbosch Local Municipality		Complied	1 005	1 005	-
Swartland Local Municipality		Complied	20	20	-
Swellendam Local Municipality		Complied	38	38	-
Theewaterskloof Local Municipality		Complied	1 398	1 398	-
Total			71 815	67 338	

Transfer payments for Category B municipalities are only effected upon submission of claims for work done in terms of the service level agreements concluded with all the municipalities. The transfers are monitored through the In-Year Expenditure Monitoring and Reporting and Grant Framework reporting processes. The only accredited municipality is the COCT where the full amount gazetted was transferred to the municipality.

Table 31: Programme 4: Transfer payments in respect of property rates

Name of recipient	Amount transferred (R'000)
Breede Valley Local Municipality	11
City of Cape Town	13 624
George Local Municipality	32
Hessequa Local Municipality	4
Kannaland Local Municipality	3
Saldanha Bay Local Municipality	38
Stellenbosch Local Municipality	44
Swellendam Local Municipality	6
Theewaterskloof Local Municipality	17
Total	13 779

6.3 Transfer payments budgeted for, but not made

Table 32 reflects the transfer payments which were budgeted for in the period 1 April 2025 to 31 March 2026, but no payments were made.

Programme 3: Transport Infrastructure

Table 32: Programme 3: Transfer payments budgeted

Name of recipient	Type of organisation	Purpose for which the funds were to be used	Amount budgeted for **(R'000)**	Amount transferred **(R'000)**	Reasons why funds were not transferred
Prince Albert Local Municipality	Municipality	To financially assist/ subsidise municipalities with the maintenance/ construction of proclaimed municipal main roads, where the municipality is the road authority (section 50 of Ordinance 19 of 1976).	50	-	Subsidies are paid if proof of actual expenditure on subsidised road maintenance work can be provided to the DOI.
Total			50	-	

Table 33: Programme 4: Transfer payments budgeted for but not made

Name of recipient	Type of organisation	Purpose for which the funds were to be used	Amount budgeted for **(R'000)**	Amount transferred **(R'000)**	Reasons why funds were not transferred
Witzenberg Local Municipality	Municipality	Provincial contribution towards the acceleration of housing delivery	1 217	-	Transfers are paid to non-accredited municipalities once proof of actual expenditure housing projects is provided to the DOI.
Beaufort West Local Municipality	Municipality	Title Deeds Restoration Grant	157	-	Transfers are paid to non-accredited municipalities once proof of actual expenditure housing projects is provided to the DOI.
Drakenstein Local Municipality	Municipality		991	-	
Kannaland Local Municipality	Municipality		420	-	
Laingsburg Local Municipality	Municipality		116	-	
Matzikama Local Municipality	Municipality		1 172	-	

Name of recipient	Type of organisation	Purpose for which the funds were to be used	Amount budgeted for **(R'000)**	Amount transferred **(R'000)**	Reasons why funds were not transferred
Overstrand Local Municipality	Municipality		97	-	
Prince Albert Local Municipality	Municipality		236	-	
Witzenberg Local Municipality	Municipality		292	-	
Total			4 698		

7 Conditional grants

7.1 Conditional grants and earmarked funds paid

No conditional grants or earmarked funds are paid by the DOI.

7.2 Conditional grants and earmarked funds received

The tables below describe each of the conditional grants received by the DOI.

Conditional grant: EPWP Integrated Grant for Provinces

Department which transferred the grant	National Department of Public Works and Infrastructure
Purpose of the grant	To incentivise 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 EPWP guidelines: • Road maintenance and the maintenance of buildings; • Low traffic volume roads and rural roads; • Other economic and social infrastructure; • Tourism and cultural industries; • Sustainable land-based livelihoods; and • Waste management.
Expected outputs of the grant	Number of people employed and receiving income through the EPWP. Increased average duration of the work opportunities created.
Actual outputs achieved	816 work opportunities created. 462 full-time equivalents (FTEs).
Amount per amended **DORA (R'000)**	R2 079
Amount received **(R'000)**	R2 079
Reasons if amount as per DORA was not received	n/a
Amount spent by the **Department (R'000)**	R2 079
Reasons for the funds unspent by the entity	n/a

Reasons for deviations on performance	n/a
Measures taken to improve performance	Timeous start of EPWP projects by the implementing unit and reporting on the EPWP Reporting System (EPWPRS)
Monitoring mechanism by the receiving Department	EPWP reporting through EPWP online reporting system. Monthly reporting through In-Year Monitoring (IYM) Reporting, Quarterly Reporting, Evaluation Reporting and Monthly Division of Revenue Act DORA (annual) Compliance Reporting.

Conditional grant: Provincial Roads Maintenance Grant

Department which transferred the grant	National Department of Transport
Purpose of the grant	• To supplement provincial investments for road infrastructure maintenance (routine, periodic and special maintenance). • To ensure that all roads are classified as per the Road Infrastructure Strategic Framework for South Africa and the Technical Recommendations for Highways (TRH), and the Road Classification and Access Management (RCAM) guidelines. • To implement and maintain road asset management systems. • To supplement provincial projects for the repair of roads and bridges damaged by unforeseen incidents, including natural disasters. • To improve road safety with a special focus on pedestrian safety in rural areas.
Expected outputs of the grant	• Final road asset management plan and tabled project list for the 2025/26 Medium Term Expenditure Framework in a table B5. • Network condition assessment and determination of priority projects list from the road asset management systems. • The following actual delivery related measures against 2025/26 targets defined in the final road asset management plan and Annual Performance Plan: o number of kilometres of surfaced roads visually assessed as per the applicable Technical Methods for Highways (TMH) manual; o number of kilometres of gravel roads visually assessed as per the applicable TMH manual; o number of m² of surfaced roads rehabilitated (quarterly); o number of m² of surfaced roads resurfaced (overlay or reseal); o number of m² of blacktop patching (including pothole repairs); o number of kilometres of gravel roads re-gravelled; o number of kilometres of gravel roads bladed; and o number of kilometres of gravel roads upgraded (funded from provincial equitable share). • The following performance, based on national job creation indicators: o number of jobs created o number of full-time equivalents created o number of youths employed (age 18–35) o number of women employed o number of people living with disabilities employed • Number of small, medium micro enterprises contracted on the provinces' contractor development programme. • Updated road condition data (paved and unpaved) including instrumental/automated road survey data, traffic data, safety audit report and bridge conditions.

<table>
<tr><td></td><td>

- Number of modular steel bridges completed under Welisizwe Rural Bridges programme
- Number of m² of surfaced roads rehabilitated and gravel roads surfaced using refurbishment funds.

</td></tr>
<tr><td>Actual outputs achieved</td><td>
The provincial road network continues to be classified in accordance with RISFSA and RCAM guidelines, with reclassification undertaken where required.
The Road Asset Management Plan (RAMP) 2026/27 to 2035/36, including the prioritised project list aligned to the Medium Term Expenditure Framework, was completed and submitted.
The Road Asset Management System (RAMS) remains fully functional and continues to support network analysis, prioritisation, and planning.
Network condition assessments were undertaken across the provincial road network, with road condition and traffic data updated to support evidence-based decision-making and compliance with grant requirements.
<table>
<tr><th>Indicator</th><th>Target value</th><th>Achieved value</th></tr>
<tr><td>Number of kilometres of surfaced roads visually assessed as per the applicable Technical Methods for Highways (TMH) manual</td><td>7 178</td><td>7 194</td></tr>
<tr><td>Number of kilometres of gravel roads visually assessed as per the applicable TMH manual</td><td>10 363</td><td>10 363</td></tr>
<tr><td>Kilometres of gravel roads upgraded</td><td>25.35</td><td>22.7</td></tr>
<tr><td>Square metres of surfaced roads rehabilitated</td><td>364 702</td><td>272 816</td></tr>
<tr><td>Square metres of surfaced roads resealed</td><td>392 406</td><td>565 096.4</td></tr>
<tr><td>Kilometres of gravel roads re-gravelled</td><td>100</td><td>107.85</td></tr>
<tr><td>Square metres of blacktop patching</td><td>30 000</td><td>26 605.06</td></tr>
<tr><td>Kilometres of gravel road bladed</td><td>32 000</td><td>52 289.97</td></tr>
<tr><td>Number of work opportunities created</td><td>3 000</td><td>2 881</td></tr>
<tr><td>Number of FTEs created</td><td>1 795</td><td>926</td></tr>
<tr><td>Number of youths employed (18-35)</td><td>1 786</td><td>1 552</td></tr>
<tr><td>Number of women employed</td><td>812</td><td>1 023</td></tr>
<tr><td>Number of persons living with disabilities</td><td>4</td><td>10</td></tr>
<tr><td>Number of SMMEs</td><td>55</td><td>87</td></tr>
</table>
</td></tr>
<tr><td>Amount per amended DORA (R'000)</td><td>2 206 800</td></tr>
<tr><td>Amount received (R'000)</td><td>2 206 800</td></tr>
<tr><td>Reasons if amount as per DORA was not received</td><td>n/a</td></tr>
<tr><td>Amount spent by the Department (R'000)</td><td>2 017 864</td></tr>
<tr><td>Reasons for the funds unspent by the entity</td><td>The unspent funds relate to projects within the disaster recovery programme that were delayed due to statutory approval processes, including environmental, water use and heritage approvals. Additional time was required for specialist studies and design refinements arising from detailed engineering investigations. The funds are fully committed to projects that are</td></tr>
</table>

	either under construction or at an advanced stage of readiness and will be utilised in the subsequent financial year.
Reasons for deviations on performance	Underperformance of the target is due to project delays.
Measures taken to improve performance	The Department prioritised the completion of delayed projects and strengthened project management and approval coordination processes. Monitoring and reporting were enhanced to improve oversight and delivery performance.
Monitoring mechanism by the receiving Department	The Department utilises the Road Network Information System (RNIS), Basic Accounting System (BAS) and Infrastructure Reporting Model (IRM) to monitor financial and non-financial performance. This is supported by monthly DORA compliance reporting, as well as quarterly financial and performance reporting and evaluation processes.

Conditional Grant: Human Settlements Development Grant

Department which transferred the grant	National Department of Human Settlements
Purpose of the grant	The facilitation and provision of basic infrastructure, top structures and basic social and economic amenities that contribute to the establishment of sustainable human settlements.
Expected outputs of the grant	Number of housing units completed and sites serviced.
Actual outputs achieved	3 411 housing units completed and 1 023 sites serviced.
Amount per amended **DORA (R'000)**	R1 663 926
Amount received **(R'000)**	R1 663 926
Reasons if amount as per DORA was not received	n/a
Amount spent by the **Department (R'000)**	R1 651 901
Reasons for the funds unspent by the entity	Underspending on Title Deeds Restoration project due to poor performance by municipalities.
Reasons for deviations on performance	Poor contractor performance, procurement delays, community unrests, lack of cooperation from key stakeholders and instances of extortion on projects resulted in the under-performance in some cases. The allocation reduction also contributed to the performance gap experienced.
Measures taken to improve performance	The Department will continue with its under-performance mitigation efforts through: • Conducting regular technical meetings with municipalities to ensure alignment of performance reporting as well as to address areas of concern; • Conducting regular meetings with communities to address any issues they may have; • Identifying projects that can be brought forward or accelerated to mitigate any in-year issues arising on projects with delivery challenges through the Business Plan process; and • Reviewing the delivery model to provide a more agile approach to housing delivery.
Monitoring mechanism by the receiving Department	The Department submits quarterly reports to the NDHS during the financial year to track performance. At the end of the year an evaluation report is submitted to monitor performance.

Conditional Grant: Informal Settlement Upgrading Partnership Grant

Department which transferred the grant	National Department of Human Settlement
Purpose of the grant	To provide funding to facilitate a programmatic and inclusive approach to upgrading informal settlements
Expected outputs of the grant	Number of informal settlements completed to Phase 1, Phase 2 and Phase 3 respectively. Number of serviced sites completed.
Actual outputs achieved	0 informal settlements completed in Phase 1. 4 informal settlements completed in Phase 2. 2 informal settlements completed in Phase 3. 335 serviced sites completed.
Amount per amended **DORA (R'000)**	R325 722
Amount received **(R'000)**	R325 722
Reasons if amount as per DORA was not received	n/a
Amount spent by the **Department (R'000)**	R325 722
Reasons for the funds unspent by the entity	n/a
Reasons for deviations on performance	Poor contractor performance, procurement delays, community unrests, lack of cooperation from key stakeholders and instances of extortion on projects resulted in the under-performance. The allocation reduction also contributed to the performance gap experienced.
Measures taken to improve performance	The Department will continue with its under-performance mitigation efforts through: • Conducting regular technical meetings with municipalities to ensure alignment of performance reporting as well as to address areas of concern; • Conducting regular meetings with communities to address any issues they may have; • Identifying projects that can be brought forward or accelerated to mitigate any in-year issues arising on projects with delivery challenges through the Business Plan process; and • Reviewing the delivery model to provide a more agile approach to housing delivery.
Monitoring mechanism by the receiving Department	The DOI submits quarterly reports to the NDHS during the financial year to track performance. At the end of the year an evaluation report is submitted to monitor performance.

8 Donor funds

8.1 Donor funds received

The DOI did not receive any donor assistance in the year under review.

9 Capital investment

9.1 The capital investment, maintenance and asset management Plan

The capital investment, maintenance and asset management against final allocations for the Vote is tabled below.

Table 34: Capital investment

Infrastructure projects	2025/26			2024/25		
	Final appropriation (R'000)	Actual expenditure (R'000)	(Over)/ under expenditure (R'000)	Final appropriation (R'000)	Actual expenditure (R'000)	(Over)/ under expenditure (R'000)
New and replacement assets	596 036	596 036	0	198 587	198 587	0
Existing infrastructure assets	5 050 643	4 858 078	192 565	5 780 553	5 218 783	561 769
Upgrades and additions	345 836	345 836	0	760 417	745 417	15 000
Rehabilitation, renovations and refurbishments	2 950 317	2 760 066	190 251	2 749 375	2 749 375	0
Maintenance and repairs	1 754 490	1 752 176	2 314	2 270 761	1 723 992	546 769
Infrastructure transfer	2 167 544	2 151 839	15 705	2 064 605	1 753 418	311 187
Current	61 773	49 217	12 556	4 000	3 188	812
Capital	2 105 771	2 102 622	3 149	2 060 605	1 750 230	310 375
Total	7 814 223	7 605 953	208 270	8 043 745	7 170 789	872 956

DOI spent 97.3 per cent of its annual allocation for infrastructure. Infrastructure capital transfers relating to Human Settlements for households constitute 27.1 per cent of the total expenditure. The main reason for the underspending relates to challenges experienced by projects affected by flood damage.

9.2 Provincial Public Works: Capital investment, maintenance and asset management

The capital investment, maintenance and asset management for Programme 2: Public Works Infrastructure against final allocations is tabled below.

Table 35: Programme 2: Capital investment, maintenance and asset management

Infrastructure projects	2025/26			2024/25		
	Final appropriation (R'000)	Actual expenditure (R'000)	(Over)/ under expenditure (R'000)	Final appropriation (R'000)	Actual expenditure (R'000)	(Over)/ under expenditure (R'000)
New and replacement assets	0	0	0	0	0	0
Existing infrastructure assets	763 609	762 294	1 315	670 649	670 649	0
Upgrades and additions	0	0	0	0	0	0
Rehabilitation, renovations and refurbishments	244 954	243 639	1 315	192 846	192 846	0
Maintenance and repairs	518 655	518 655	0	477 803	477 803	0
Infrastructure transfer	0	0	0	0	0	0
Current	0	0	0	0	0	0
Capital	0	0	0	0	0	0
Total	763 609	762 294	1 315	670 649	670 649	0

Public Works Infrastructure spent 99.8 per cent of its infrastructure budget after final budget shifts.

Although challenges were experienced throughout construction, 31 infrastructure projects were completed, encompassing a diverse portfolio that included general building maintenance and repairs, office modernisation, bulk water storage and reticulation and storm damage repairs.

In 2025/26, seven immovable assets were acquired to support provincial service delivery objectives and five were determined surplus to provincial government needs and therefore disposed of in line with the requirements of the Western Cape Land Administration, 1998 (Act 6 of 1998) to other spheres of government.

As of May 2026, the Western Cape provincial Immovable Asset Portfolio, as reflected on the Immovable Asset Register, comprises 5 391 land parcels (farms and erven).

GIAMA mandates an evaluation of the state-owned facilities at least once every five years. This assessment utilises existing data to gauge the condition of the facilities and their various components. These findings inform decisions related to managing the immovable asset portfolio, as well as assessing the need for refurbishment, renewal, and maintenance.

As part of the asset management practices improvement initiative, a life cycle-based maintenance assessment of the immovable asset portfolio is being undertaken. A two-stage approach is being adopted, the first being to inform portfolio planning (contained in the C-AMP) and the establishment of strategic briefs for maintenance projects (to

ensure that, as a minimum, the most critical building component groups are identified, assessed, and prioritised to maximise coverage across the various portfolios), and the second at a more detailed level for project implementation once budgets are confirmed.

This 2026/27 C-AMP presents portfolio condition ratings based on facility condition assessment data shared with user departments. This reflects a portfolio status based on facility condition assessments (FCAs) conducted within the current five-year cycle and, where applicable, projects implemented subsequently that improved facility condition, and modelled deterioration in facilities where no interventions were conducted.

The ratings for the provincial owned and utilised portions of the portfolios are analysed in terms of the GIAMA performance standard index which ranges from 1 (worst) to 5 (best) and are weighted based on current replacement cost (CRC). Weighted condition grading indices (CGIs) reflect the portfolio condition status more accurately since they recognise the larger contribution of high-value facilities to the overall portfolio.

The overall ratings were as follows:

- Health Infrastructure (HI) portfolio: 3.06 (Fair) – with the 2025 CGI having been measured at 3.1, this represents a slight deterioration in CGI, reflecting a plateauing of the portfolio condition after consistent increases since 2023;
- General Infrastructure (GI) portfolio: 3.18 (Fair) – which represents marginal improvement from 2025. However, the CGI values for the most recent two years represent a decline from the 2023 value of 3.5. This portfolio includes properties relinquished by user departments as no longer used; and
- Education Infrastructure (EI) portfolio: 3.27 (Fair) – which is a slight deterioration from the 2025 value. and which confirms a slight worsening trend of the CGIs from the 2023 value of 3.4.

The overall trend of worsening CGI values reflects the result of prolonged periods of constraints on available budgets and growing maintenance backlogs. This is further reflected in the large repair cost estimate value, estimated to be in the order of R20bn. across all portfolios, and a large maintenance backlog that is expected to continue to grow as re-investment in renewal is not keeping pace with the ongoing rate of deterioration. Additional funding and appropriate delivery capacity is therefore essential to improve the standards of service and mitigate growing risks. In a scenario of no significant increases in funding, it will be necessary to adopt a strategy that focuses the application of at least the minimum portion of the available resources on health and safety risk (H&S) mitigation. User departments must therefore strive to allocate significantly increased budgets to maintenance works to halt the increase in the maintenance backlog in the first instance and then allocate adequate levels of funding (from conditional grants) to maintenance programmes in the MTEF to eventually eliminate this backlog.

As part of the asset management practice improvements initiative, the improved weighted CGI model will require continuous refinement, calibration, and integration with other relevant asset management models to enhance the quality and relevance of infrastructure lifecycle planning.

The set of core management processes to ensure that the value of the provincial immovable asset portfolio is optimised throughout its life cycle is illustrated in Figure 6.

Figure 6: Asset Management Life Cycle Model



Source: Infrastructure Delivery Management System (IDMS), adapted from the IAM's Conceptual Asset Management Model, 2014.

Throughout this asset life cycle, service delivery objectives need to be linked with immovable asset management objectives to ensure the asset portfolio supports and meets the strategic objectives of the DOI cost-effectively and sustainably, given available resources. The scope must encompass current and future service delivery strategies and the implications of these strategies in the management of the immovable asset portfolio.

This process influences all components of the C-AMP, namely, the acquisition, maintenance, and disposal plans. Asset life cycle analysis informs the identification of the gap between existing immovable assets and those required to meet service delivery requirements, especially those of a high priority. An asset management framework is being developed by the DOI (Custodian) to respond to ever-changing User departments needs and rapid advances in technology to improve the effectiveness of managing the WCG's portfolio of immovable assets. Since the implementation of GIAMA and the establishment of national guidelines related to asset management plans, the C-AMP has improved every year. As alluded to in Section 2, aided by the implementation of agreed asset management improvement plans, there has been a substantial improvement to business processes underpinning the C-AMP process and the C-AMP itself. The adoption of a more strategic approach to the management of the DOI's immovable assets across their life cycles in line with the GIAMA requirements provided a significant impetus for these improvements.

Significant and iterative progress has been made in developing a C-AMP based on asset data from relevant sources, including FCAs, project control systems (PCS) and the IAR. A focused C-AMP Improvement initiative has been conceptualised with the objective of the DOI incrementally improving its Custodian portfolio management strategy and immovable asset management planning to respond effectively to the needs of Users and maximise the service delivery potential of the WC provincial government's immovable asset portfolio.

Elements of this initiative include the following:

- Refining and aligning the asset data and life cycle models for the HI, EI and GI portfolios to enable an improved level of planning, risk management and strategy development to leverage maximum value from available funding;
- Implementation of an asset register improvement programme to incrementally augment the asset information in the IAR and improve the relevance of asset data for all stakeholders. This project is currently underway;
- Using the eMerge digital platform to create a robust information base, with property management and reporting systems that support effective management decision-making. This platform will need information generated by the Custodian but ultimately also the Users, specifically the WCDHW and the WCED, given that DOI will no longer be the preferred Implementer for these User departments. The digital automation of U-AMP and C-AMP data flows will be an important focus here, once the underlying business processes have been optimised and documented; and
- Improved collaboration among DOI Infrastructure Components, IAM Directorates and Sub-directorates and User Departments. This includes ensuring that necessary asset data is collected during the FCAs process, which will be utilised for planning purposes in the C-AMP.

Underpinning this initiative is the imperative to build capacity and skills within the Department so that new C-AMP related business processes and systems have internal ownership and can be deployed sustainably. In addition, a parallel change management imitative needs to be implemented to support the initiative.

In conclusion, the DOI is striving to leverage the benefits of rapidly evolving best practices in asset management (AM) and technological advances, in a coordinated manner across the Provincial Public Works (PPW) Branch, and at all levels within DOI. The development of the eMerge system over the past 6 years has established robust foundations to facilitate ongoing improvement. The Department will seek to leverage emergent technologies like BIM, digital twins and artificial intelligence (AI). Driving efficiency and effectiveness gains in this way is essential, given the significant downward pressure on available resources.

Table 36: Programme 2: Capital projects currently under construction

Capital projects in progress				
Region/ District	Municipality	Project name	Project description	Expected completion date
Winelands	Stellenbosch	Lindelani/ Siyakhathala CYCC	Upgrade, Additions and Refurbishment of existing CYCC	12/11/2027
CoCT	CoCT	27 Wale – 6th floor & roof	Modernisation of office accommodation and roof upgrade	07/07/2026
CoCT	CoCT	31 Upper Orange Street	Modernisation & upgrade of residential property for Children's Commissioner	12/08/2027
Winelands	Stellenbosch	Kromme Rhee – Provincial Training Institute Refurbishment Phase 2	Refurbishment of Lecture Halls & Breakaway rooms	15/07/2026

9.3 *Transport Infrastructure: Capital investment, maintenance and asset management*

The capital investment, maintenance and asset management for Programme 3: Transport Infrastructure against final allocations is tabled below.

Table 37: Programme 3: Capital investment, maintenance and asset management

Infrastructure projects	2025/26			2024/25		
	Final appropria-tion **(R'000)**	Actual expendi-ture **(R'000)**	(Over)/ under expendi-ture **(R'000)**	Final appropria-tion **(R'000)**	Actual expendi-ture **(R'000)**	(Over)/ under expendi-ture **(R'000)**
New and replacement assets	596 036	596 036	0	198 587	198 587	0
Existing infrastructure assets	4 287 034	4 095 783	191 250	5 109 904	4 548 135	561 769
Upgrades and additions	345 836	345 836	0	760 417	745 417	15 000
Rehabilitation, renovations and refurbishments	2 705 363	2 516 427	188 936	2 556 529	2 556 529	0
Maintenance and repairs	1 235 835	1 233 521	2 314	1 792 958	1 246 189	546 769
Infrastructure transfer	50 566	46 886	3 680	47 293	28 507	18 786
Current	3 750	3 219	531	4 000	3 188	812
Capital	46 816	43 667	3 149	43 293	25 319	17 974
Total	4 933 636	4 738 706	194 930	5 355 784	4 775 229	580 555

The Branch: Transport Infrastructure spent 96.1 per cent of its infrastructure budget. The underspending in Transport Infrastructure as indicated in Table 37 relates to disaster funding received during the 2025/26 Adjusted Estimates process for the repair of flood-damaged infrastructure. Delays in statutory approval requirements impacted the implementation of disaster relief projects. The projects have been committed and a request for rollover has been submitted for the utilisation of funds in 2026/27 financial year.

The Department has adopted an asset management approach for the management of road infrastructure assets in the Western Cape, which is in line with international standards.

During the year under review, the strategic framework for road investments focused on maximising asset preservation while minimising total transportation costs for road users. This approach prioritised higher traffic routes, thereby supporting economic growth and social development.

Capital and maintenance expenditure during 2025/26 continued to support the condition of the road network and contributed towards addressing the infrastructure maintenance backlog. However, a portion of available funding was directed towards the repair of flood-damaged infrastructure arising from prior flood events. This necessary reallocation has placed additional pressure on an already constrained budget and continues to affect overall network condition. This resulted in the deferment of certain planned preservation interventions, as resources were prioritised towards the reinstatement of flood-damaged infrastructure.

The infrastructure maintenance backlog reduction plan is informed by an intervention-based budget scenario, which indicates that approximately R5.4 billion per annum is required to sustain the value of the road network over the next ten years.

As a result of ongoing funding constraints and increases in construction costs, the unfunded maintenance backlog is estimated at approximately R32 billion.

Table 38: Programme 3: Capital projects currently under construction

District	Local municipality	Project name	Detailed description	Commencement date	Estimated completion date	Project cost (R'000)
Cape Winelands	Breede Valley	C1203.01 Completion of Reseal Trunk & Divisional	Periodic Maintenance of TR30/2, TR31/1, DR1347, DR1379, DR1400 and DR1377 near Worcester	2025-01-20	2026-05-19	205 915
Cape Winelands	Breede Valley	C1319 Cape Winelands	Flood Damage Repairs on DR1347, DR1395, DR1423, OP5662, OP5663 and OP6074 – Breede Valley	2025-03-28	2026-04-29	31 582
Cape Winelands	Drakenstein	C749.2 Paarl-Franschhoek	Upgrading of Main Road 191 (KM 0.0 to KM 9.57) and Periodic Maintenance of Main Road 191 (KM 9.57 to KM 41.95)	2024-04-18	2027-03-01	1 020 096
Cape Winelands	Drakenstein	C1142 Rehab Simondium Reseal	The Upgrade of DR1099, the Strengthening of MR205 and the Periodic Maintenance of MR189, DR1090 and OP5215 near Klapmuts	2023-11-27	2026-06-12	232 612
Cape Winelands	Witzenberg	C1216 Reseal/Rehab Ceres–Op die Berg–Citrusdal	The Periodic Maintenance of MR310, DR1458 and DR1487 between Ceres and Op die Berg	2023-11-20	2026-11-14	745 987
City of Cape Town	City of Cape Town	C1038.2 Safety Improvement N7 - Van Schoorsdrift I/C	New Van Schoorsdrif I/C on N7	2024-03-01	2027-06-06	782 724
Garden Route	George	C1101 Rehab Walboomskraal	Strengthening of Trunk Road 1 Section 1 between George (KM 19.360) and Oudtshoorn (KM 24.550)	2025-09-30	2028-03-31	203 648
Garden Route	George	C1157.2 Garden Route Area	Flood Damage Repairs on MR355 (Seven Passes), DR1602, DR1633, DR1639 and DR1791	2025-09-11	2027-03-12	63 906
Garden Route	George	C1322.03: Flood Damage Repairs along DR1640 (Montagu Pass) near George	Flood Damage Repairs along DR1640, Montagu Pass, near George	2026-01-23	2027-01-09	55 383

District	Local municipality	Project name	Detailed description	Commencement date	Estimated completion date	Project cost (R'000)
Garden Route	Kannaland	C1321.02: Flood Damage Repairs along TR75/2 and DR1713 near Oudtshoorn	Flood Damage Repairs along TR75/2 and DR1713 near Oudtshoorn	2025-03-24	2026-07-20	77 786
Garden Route	Mossel Bay	C964.2 Mossel Bay-Hartenbos AMP & Upgrading Package 2	Upgrade of TR33/1 at Beach Boulevard West (KM 10.27) to Garret Street (KM 13.05)	2022-07-28	2026-07-31	543 655
Garden Route	Oudtshoorn	C1321.01: Flood Damage Repairs along DR1577 and OP4548 near Riversdale and DR1433, DR1710, OP6454 and OP6496 near Ladismith	Flood Damage Repairs along DR1577 and OP4548 near Riversdale and DR1433, DR1710, OP6454 and OP6496 near Ladismith	2025-03-24	2026-08-18	56 145
Garden Route	Oudtshoorn	C1322.01: Flood Damage Repairs along DR1649 near Volmoed	Flood Damage Repairs along DR1649 near Volmoed	2025-03-31	2026-10-05	54 217
Overberg	Overstrand	C838.8 Hemel & Aarde Emergency	Repairs to Flood Damage Sections along MR269, between KM 0,2 and KM 1,85	2025-04-14	2026-05-15	60 932
Overberg	Overstrand	C1318.01 Flood Damage Repairs on DR1308 and DR1309 – Greyton	Flood Damage Repairs on DR1308 and DR1309 - Greyton	2025-03-03	2026-11-06	20 045
Overberg	Theewaterskloof	C1271.11 Flood Damage Villiersdorp	Flood Damage Repairs on TR30/2, MR279 and DR1336 - Villiersdorp Area	2025-05-23	2026-04-21	36 515
Overberg	Theewaterskloof	C1318.02 Flood Damage - Baardskeerdersbos	Flood Damage Repairs on OP4040, OP4041 and OP4044 - Baardskeerdersbos	2025-03-03	2026-04-30	25 769

9.4 Human Settlements: Capital investment, maintenance and asset management

Table 39: Programme 4: Capital investment, maintenance and asset management

Infrastructure projects	2025/26			2024/25		
	Final appropria-tion **(R'000)**	Actual expendi-ture **(R'000)**	(Over)/ under expenditure **(R'000)**	Final appropriation **(R'000)**	Actual expenditure **(R'000)**	(Over)/ under expenditure **(R'000)**
New and replacement assets	0	0	0	0	0	0
Existing infrastructure assets	0	0	0	0	0	0
Upgrades and additions	0	0	0	0	0	0
Rehabilitation, renovations and refurbishments	0	0	0	0	0	0
Maintenance and repairs	0	0	0	0	0	0
Infrastructure transfer	2 116 978	2 104 953	12 025	2 017 312	1 724 911	292 401
Current	58 023	45 998	12 025	0	0	0
Capital	2 058 955	2 058 955	0	2 017 312	1 724 911	292 401
Total	2 116 978	2 104 953	12 025	2 017 312	1 724 911	292 401

The Branch: Human Settlements spent 99.4 per cent of its allocation. The underspending on the Human Settlements Development Grant (HSDG) relates to the under performance by municipalities on the Title Deed Restoration Project.

During the year under review, the DOI facilitated the delivery of 6 571 housing opportunities comprising of 3 411 housing units, 637 non-credit linked subsidies, 1 165 First Home Finance subsidies, and 1 358 serviced sites.

Key programmes implemented in partnership with other public and private sector partners are described below.

Informal settlement upgrading

The Department's approach to informal settlement upgrading is anchored in a transversal and provincial-wide informal settlement upgrading strategy, which seeks to enhance, simplify and accelerate informal settlement upgrading interventions. In collaboration with informal settlement communities, it seeks to assist municipal officials in improving the quality of life of informal settlement dwellers by enabling access to public infrastructure, finance, land, tenure, economic opportunities and incremental housing opportunities through an innovative, people-centred and partnership-based approach.

A total of 47 projects were targeted for funding in the amount of R325.722m during the mid-year adjustment by the Department's 2025/26 ISUPG Business Plan before the budget cut. Some of these projects are complete, and others are all at various stages of project preparation, planning, or implementation. Implementation plans include installing or upgrading services, including access to clean water, sanitation, and electricity, and, in other cases, access to basic services on a shared ratio basis. Six of these projects were in the implementation stage and have projects have delivered 329 serviced sites. The rest of the projects are in the packaging stage for delivery over the MTEF period.

Claims for all work done before the end of the financial year that have not been paid, is to be incorporated and paid in the new financial year.

Affordable Housing Programme

Various key affordable housing initiatives have been implemented during this reporting period. The Department recognises the vital importance of accelerating the affordable housing initiatives and continues to focus on aligning and enhancing the primary instruments for delivering affordable housing. One of these instruments is the Social Housing Programme, which facilitates the development of affordable rental opportunities in designated restructuring zones. This has been a key focus for the Department with the continued implementation, and facilitation, of the programme with a total of 449 units being delivered during 2025/26 period and the planned delivery of a further 1 233 units within 2026/27 financial year.

The Department has piloted an innovative incremental development model within the First Home Finance (FHF) programme in the Melkhoutfontein Project, in Hessequa Municipality, where a total of 21 incremental were developed for beneficiaries earning above the R3 500 threshold for the BNG housing. The pilot project has demonstrated the role of the province and the municipality as enablers. By providing ownership of fully serviced site and starter housing unit, beneficiaries have been given a sufficient 'hand-up' to then be able to help themselves, and one another, to achieve their much needed and desired homes, through savings, sweat equity, small housing or employer loans, use of local artisans and local materials suppliers, etc.



PART C

Governance

Part C: Governance

1 Introduction

The DOI is committed to maintaining the highest standards of governance, which is fundamental to the management of public finances and resources. Readers of this Annual Report require assurance that the DOI has sound governance structures in place to effectively, efficiently and economically utilise the state resources at its disposal which are funded by the taxpayer. One of the core values of the DOI is "accountability". Promoting a strong governance environment gives effect to this value.

2 Risk management

Risk Management

The Accounting Officer (AO) for the DOI takes responsibility for implementing Enterprise Risk Management (ERM) in accordance with the Public Finance Management Act (PFMA) and Treasury Regulations, guided by the National Treasury Public Sector Risk Management Framework (PSRMF). She is strategically advised and supported by the Directorate: Enterprise Risk Management in the Department of the Premier (DotP). The Department established an Ethics and Enterprise Risk Management Committee (ERMCO) to assist the AO in executing her responsibilities relating to risk management.

Enterprise Risk Management Policy and Strategy

The Department adopted an ERM Policy on 14 April 2025 for the 2025/26 to 2029/30 financial years. This policy articulates the risk management philosophy and captures, at a high-level, the roles and responsibilities of the different role players. It provides the basis for the risk management process which is supplemented with the detail in the strategy.

The ERM Strategy and Implementation Plan for the 2025/26 financial year was approved on 25 April 2025 and outlines how the Department will go about implementing the ERM Policy adopted by the AO. This ERM Strategy is informed by the Provincial Enterprise Risk Management Policy and Strategy (PERMPS), specifically as it relates to appetite levels, as well as the Department's ERM Policy and risk profiles. The ERM Strategy and Implementation Plan are communicated to all staff members of the Department on an annual basis to stay abreast of its contents and changes effected, as a means of embedding risk management throughout the department. Bespoke and generic risk awareness sessions were conducted to enhance the risk management maturity in the department.

2.1 Ethics and Enterprise Risk Management Committee responsibility

ERMCO reports that it has discharged its responsibilities arising from Section 38 (1)(a)(i) of the Public Finance Management Act, Treasury Regulation 3.2.1 and Public Service Regulations of 2016, Chapter 2, Part 1, 2 and 3. The ERMCO also reports that it has adopted

the appropriate formal Terms of Reference, has regulated its affairs in compliance with this Terms of Reference and has discharged all its responsibilities as contained therein.

The ERMCO met quarterly to monitor and review the risks outside the agreed tolerance levels, assess the mitigating strategies in place and recommend any additional actions that could further reduce the residual risk rating. Risks tolerated by the respective risk owners are also monitored to ensure that these risks indeed are unavoidable or that no suitable treatment plans are available at a reasonable cost to further reduce the residual risk rating.

The ERMCO furthermore monitored the implementation of the Fraud and Corruption Prevention and Fraud and Corruption Response Plans and provided oversight and guidance on ethics management in the department.

Identification and management of risks

Regular strategic and programme risk assessments were conducted to review current risks on the risk profile and to identify new and emerging risks due to changes in the internal and external environment. Each programme's risks were deliberated and debated during the year and updates presented at the quarterly ERMCO meetings. Senior managers were required to provide feedback on progress with implementation of action plans to reduce the likelihood of risks and/or the impact should they materialise. ERMCO in some instances referred risks back to the respective programmes for further analysis and recommended additional mitigations or actions to manage risks. Management takes ownership of risks and often discusses risk matters at various platforms as part of its culture to manage risks in a collaborative and innovative way.

Risk Management Assurance and Independent Oversight

The Internal Audit Function provided independent assurance on the adequacy and effectiveness of risk management processes for areas included in its risk-based Internal Audit Coverage Plans. No material breakdowns in the entity's risk management system were identified during the period.

The Jobs Cluster Audit Committee provided independent oversight of the department's system of risk management. The Audit Committee was furnished with quarterly ERM progress reports and risk registers to execute their independent oversight role.

2.2 Ethics and Enterprise Risk Management Committee members

The ERMCO comprises of the AO, top management, and selected members of the department's management team. As per its Terms of Reference the ERMCO met four times during the year under review. The associated table reflects the number of meetings attended by each member.

The table below provides information on ERMCO members.

MEMBER	POSITION	ATTENDED
Adv C Smith	Accounting Officer (Risk Champion and ERMCO Chairperson)	2

MEMBER	POSITION	ATTENDED
Ms S Andrews	CD: Financial Management	2
Ms P van der Merwe	Acting DDG: Strategy, Planning, and Coordination	1
Mr R Maharaj	CD: Strategic Management and Operational Support	1
Mr C October	Acting DDG: Roads	2
Ms R Kok	Acting DDG: Provincial Public Works	2
Ms L Schuurman	DDG: Human Settlements	2
Ms P van der Merwe	CD: SCM (Ethics Officer)	1
Mr B Rahim	Director: Financial Governance (Fraud Champion)	1
Mr S Martin	Director: Performance Monitoring	1
Ms H Robson	DDG: Corporate Assurance (DotP)	2
Mr R Janse van Rensburg	CD: PFS (DotP)	2
Ms A Haq	Director: ERM (DotP)	2
Ms A Gertze	Services Manager: Ce-I, DotP	2
Ms U Clayton	Secretariat	1

** There has always been representation of the unit when the members were unable to attend the meeting.*

The following is an indication of other officials who attended the ERMCO meetings for the year under review:

NAME	POSITION	ATTENDED
Ms G Hartley	Deputy Director: Assurance Services	1
Ms S Webb	Deputy Director: Office of the HoD	1
Ms W Hansby	Director: PFS (DotP)	2
Mr D Micketts	Chief Risk Advisor: ERM (DotP)	2
Ms J Reed	Risk Advisor: ERM (DotP)	2
Mr S Malan	Director: Internal Audit (DotP)	2
Ms B Beukes	Deputy Director: Internal Audit (DotP)	2
Mr W Jacobs	Deputy Director: PFS (DotP)	2

2.3 Key risks considered and addressed during the year

Infrastructure backlog of the provincial immovable asset base causing a deterioration to below the mandatory standards – arises from several contributing factors, including insufficient capital and maintenance budgets, uncertainty in budget allocations, and the practice of cutting infrastructure budgets when faced with financial constraints. These factors lead to insufficient and ineffective assets, and lack of maintenance resulting in the need for future rebuilding or rehabilitation. To mitigate this risk, the Public Works Capital Investment Committee provides oversight, ensuring that maintenance allocations are ringfenced and monitored against lifecycle cost targets. Asset Management Improvement Programmes are developed and implemented to support evidence-based budgeting and maintenance prioritisation.

Safety and Security of movable, immovable and intangible assets is one of the top risks for the Department and it is constantly on the radar. Provincial buildings and land are

exposed to theft, vandalism, unlawful occupation and site invasion, especially where buildings are underused, vacant, or awaiting development. Contributing factors to the risk have much to do with people's behaviour and perceptions. To mitigate the risk, Community Liaison Officers are appointed on all projects, the Department liaises with the Department of Police Oversight and Community Safety, the Metro Police and the South African Police Service to prevent lawlessness and enforce public order. Empowerment Impact Assessment are conducted on all major projects prior to advertisement and communication with the community prior to award and post award for purposes of managing expectation are prioritised. There is a process to monitor that contractors' action their resolution on construction site for purposes of empowerment, local participation, employment and purchases. Project Facilitation Practitioners are appointed on high value, highly complex and high impact projects.

The constrained ability to futureproof the immovable asset portfolio and meet growing demand and adapt to or mitigate climate impact, stems from contributing factors such as insufficient funding to adapt and mitigate asset decay, time pressures hindering effective post-disaster rebuilding, and a lack of specialist capacity to identify and address risks. Mitigations include the creation of a climate risk technical support unit (or panel), comprising internal and external expertise to vet designs and projects, partnerships with academic institutions and DBSA for technical advisory support, particularly on climate-smart infrastructure planning and design and advocacy for disaster recovery funding aligned with the Build Back Better approach, leveraging NDMC and DBSA project preparation support post-disaster.

Hampered operations and execution of projects due to extraordinary global, continental, or regional disruption. The potential delays in the procurement of ICT equipment, directly impact the department's operations regarding equipment refresh, project execution, and new officials' ability to fulfil their roles. This risk remains significant on the strategic register due to uncertainties surrounding various unknown factors. Some mitigations that were implemented include the implementation of an "Deferred Ownership Property Management Framework" and Partnership Development.

Safety & security of DOI staff: engagements with authorities responsible for community safety continue to ensure a collective approach to constrain the risk. Staff use unmarked vehicles as and when appropriate and where possible GG number plates are replaced with ordinary registered number plates. A Security and Safety Committee and Incident Reporting Protocol and Threat Assessment is performed. There is ongoing awareness and information sessions to empower staff on safety-related matters.

Key emerging risks for the following financial year

Geoeconomic confrontation and disruptions to critical infrastructure: In the short-term outlook for the next two years, geopolitical risks will increase, notably, geoeconomic confrontation. This indicates an anticipated period of reprioritisation to immediate geoeconomic risks, causing an increase in critical infrastructure disruption threats, while creating a fiscal squeeze for development. This may result in stalled modernisation due to economic constraints, increased targeting of infrastructure during conflicts and vulnerabilities in supply chains.

Economic challenges: While the Western Cape economy shows resilience, with a compounded annual growth rate of 0.83 per cent which compares favourably to the national average of 0.67 per cent, economic conditions across South Africa remain challenging. The projected growth rate of 1.4 per cent in 2026 is modest, requiring careful financial planning.

Disaster mitigation – extreme weather events: Whilst the impact associated with these events has eased in the short-term due to careful planning and effective disaster management, exposure to these events remains high. The Departmental Strategic Plan acknowledges these challenges and therefore emphasises close alignment with the Global risks and the Provincial Strategic Objectives to achieve the maximum synergies with its sister departments in creating the most value with the limited resources available

2.4 Conclusion

The agility and resilience of the DOI to deliver infrastructure with passion and steadfast commitment is underpinned, through ERMCO, by a moral and ethical code that forms the bedrock of all management decisions. This is further strengthened by bold and fearless identification and interrogation of potential and/ or imminent risks, and mitigation measures to reduce potential impact, on a foundation of ethically and morally correct decision-making principles.



Accounting Officer
Department of Infrastructure

Date: 15 July 2026

3 Fraud and corruption

Fraud and corruption represent significant potential risks to the Department's assets and can negatively impact on service delivery efficiency and the Department's reputation.

The WCG adopted an Anti-Fraud and Corruption Strategy which confirms the Province's zero-tolerance towards fraud, theft and corruption. To support this strategy, the Department has adopted a Fraud and Corruption Prevention Plan (Prevention Plan), supported by a concomitant Implementation Plan which gives effect to the Prevention Plan. The Prevention Plan outlines responsibilities for proactive action to prevent fraud, theft, corruption or irregularities. The Fraud and Corruption Response Plan (Response Plan) describe roles and responsibilities to report suspected fraud, theft and corruption; and to assess and investigate allegations. It also indicates actions to be taken stemming from investigations. Remedial actions are continuously monitored including the enhancement of the control environment to manage the significant risk posed by fraud and corruption.

The various channels for reporting allegations of fraud, theft and corruption are described in detail in the Provincial Anti-Fraud and Corruption Strategy, the WCG Whistle-blowing Policy and the Departmental Prevention Plan. Whistle-blowers may report allegations to Provincial Forensic Services (PFS) telephonically, in person, by e-mail correspondence to the Tip-offs line or postal correspondence. Further, the Department refers any allegations of fraud, theft and corruption to PFS in writing. Each allegation received by the PFS is recorded in a Case Management System which is used as a management tool to report on cases, progress made with cases relating to the Department and to generate statistics for the Department and the WCG.

Employees and workers who blow the whistle on suspicions of fraud, corruption and theft are protected if the disclosure meets statutory requirements of the Protected Disclosures Act, No. 26 of 2000 (e.g. if the disclosure was made in good faith). The WCG Whistle-blowing Policy provides guidelines to employees and workers on how to raise concerns with the appropriate line management, specific designated persons in the WCG or external institutions, where they have reasonable grounds for believing that offences or improprieties have been or are being perpetrated in the WCG. The opportunity to remain anonymous is afforded to an employee who would like to report acts of fraud, theft and corruption to a member of the Provincial Forensic Services. Such employee will be afforded the opportunity to do so confidentially and for their identities to be kept confidential.

If, after investigation, fraud, theft or corruption is confirmed, the employee who participated in such acts is subjected to a disciplinary hearing. The WCG representative initiating the disciplinary proceedings is required to recommend dismissal of the employee concerned. Where evidence of criminal conduct is detected, a criminal matter is reported to the South African Police Services.

For the year under review, PFS issued a Case Movement Certificate for the Department noting the following:

Cases	Number of cases
Open cases as at 1 April 2025	7

New cases (2025/26)	4
Closed cases (2025/26)	(3)
Open cases as at 31 March 2026	8

The following table further analyses the closed cases indicated above:

Nature and investigation outcomes of cases closed
In 1 case the allegations of fraud, corruption and non-compliance were substantiated (the matter was reported to the SAPS).
In 1 case the investigation was finalised with no adverse findings, but recommendations were made.
In 1 case the investigation was finalised with findings of non-compliance/irregularities

4 Minimising conflicts of interest

The DOI managed the following processes to minimise conflict of interest in the SCM domain:

- Fostering an organizational culture of ethics and good governance by ensuring regular internal communication and understanding of the Public Service Regulations (PSR) 2016.
- Conducting annual training and formal workshops on ethics.
- Ensuring that all SCM employees complete the annual Disclosure of Financial interest(e-disclosure)
- Implementing the Code of Conduct for SCM role players.
- Implementing the National Treasury's Code of Conduct for BAC
- Requiring a Declaration of Interest form from everyone involved in the consideration, recommendation and/ or adjudication of bids.
- Identification and verification of potential conflict of interest of employees through regular monitoring of the Central Supplier Database reports
- Implementing bidder/ employee profile verification processes, as both a preventative and detective control measure to identify officials doing business with government.
- Implementing PT Instructions which require all suppliers and contractors intending to do business with the WCG to register on the WCSEB. This includes prerequisites such as:
    - Verification with Companies and Intellectual Property Commission for company registration and ownership information.
    - A sworn declaration by all prospective bidders on the WCBD 4 form
- Maintaining a formal vetting process prior to the appointment of any professional service providers.

5 Code of Conduct

The DOI fully supports the Public Sector Code of Conduct as per the Public Service Regulations issued in 2016, and all employees are expected to comply with its standards. The Public Sector Code of Conduct addresses employee behaviour in the workplace and contributes to the Department's drive to maintain the highest levels of ethics, the

eradication of incidents of corruption, and the promotion of good governance. During the induction, new appointees are made aware of the Code of Conduct, and it is distributed regularly via Internal Communications. The Code of Conduct is also available on the WCG website.

It is noted that the primary purpose of the Code of Conduct is a positive one, namely, to promote exemplary conduct. Notwithstanding this, an employee shall be guilty of misconduct and may be subject to disciplinary action if he or she contravenes any provision of the Code of Conduct.

There are a number of "profession-specific" codes of conduct, including the Code of Conduct for SCM Practitioners and the relevant practitioners/ professionals are required to acknowledge that they will abide by these codes.

Various codes of conduct (e.g., the Code of Conduct for the Public Service and the Code of Conduct for Supply Chain Practitioners) determine norms and standards to promote integrity and guide employees about the conduct that is expected of them.

Officials who need to access departmental information for study purposes are required to do so through a formal request to the office of the Head of Department and information about such request forms part of the Ethics Report to ERMCO.

6 Health, safety and environmental issues

The Occupational Health and Safety Act, 1993 (Act 85 of 1993) imposes a responsibility on the DOI to ensure the physical safeguarding of its infrastructure sites, as well as ensuring the physical health and safety of contractors and their employees. To this end, the minimum requirements relating to how this risk should be managed on infrastructure sites has been standardised and built into the Construction Tender Document suites prescribed by the CIDB. In so far as it pertains to transport infrastructure, environmental impact assessments must be conducted.

The DOI has an operational Safety and Security Committee which includes representatives from the Department of Police Oversight and Community Safety.

In support of effective emergency evacuation, 11 evacuation plans were reviewed and approved in the 2025/26 financial year. Due to the implementation of the Policy on Working from Home and/ or Remotely, 9 scheduled evacuation exercises were conducted during the reporting period. The Business Continuity Plan is currently being reviewed and an additional energy and electricity disruption contingency plan is in draft form.

7 Standing and Ad hoc Committees on Infrastructure and Public Works

7.1 Standing Committee on Infrastructure

7.1.1 The Standing Committee's letter referenced WCPP 11/6/7 of 4 March 2025 and the DOI's response is tabled below.

Papers, reports, and information requested by the Committee	DOI's response
In its letter dated 4 March 2025, the Committee invited the Department to a virtual meeting on 1 April 2025 to brief the Committee on the consideration of Vote 10: Infrastructure, in the Schedule to the Western Cape Appropriation Bill, 2025.	The Department attended the rescheduled meeting on 2 April 2025 to consider Vote 10: Infrastructure, in the Schedule to the Western Cape Appropriation Bill, 2025. The Department's presentation on the 2025/26 main budget overview covered the following: • Budget breakdown per programme; - Administration; - Public Works and key projects; - Transport Infrastructure and key projects; - Human Settlements and key projects; - Community based programmes; • Departments budget and service risks.

7.1.2 The Standing Committee's letter referenced WCPP 11/6/7 of 17 April 2025, and the DOI's response is tabled below.

Papers, reports, and information requested by the Committee	DOI's response
In its notice dated 17 April 2025, the Committee invited the Department to a virtual meeting on 23 May 2025 to brief the Committee on the Department's alternative funding models and current models being explored.	The Department attended the meeting on 23 May 2025 regarding alternative funding and the current funding models that the Department has explored. The Department's presentation covered the following: • The Western Cape Government alternative and blended finance framework; • Alternative models of infrastructure financing: Definition and types; • Traditional models of infrastructure financing: The state of infrastructure and the need for change; • Western Cape Infrastructure Framework 2050, Infrastructure Strategy 2050 & Infrastructure Implementation Plan 2050; • Current and application of alternative financing models; and • The Western Cape Infrastructure pipeline (methodology and value).

7.1.3 The Standing Committee's letter referenced WCPP 11/6/7 of 16 May 2025, and the DOI's response is tabled below.

Papers, reports, and information requested by the Committee	**DOI's response**
In an email dated 16 May 2025, the Committee invited the Department to a virtual meeting on 18 June 2025, along with Communicare, to brief the Committee on the following: • Core Business, and • Funding and risk management in terms of its general management.	The Department attended the virtual meeting on 18 June 2025. Communicare gave a briefing on its core business and funding management within its general management. The presentation covered the following: • Western Cape Government Fiscal Futures Model; • Model overview; • National module scenario summary; • Provincial fiscal future model; • Modelling provincial revenue; • Modelling provincial expenditure; • Scenario drop down and macro baseline figures; • Provincial own revenue; • Provincial spending; • Financial strategy, budget balance and cash reserves; • Customised macro scenarios; • Impact of national scenarios on accumulated Western Cape provincial reserves; and • Concluding remarks.

7.1.4 The Standing Committee's letter referenced WCPP 11/6/7 of 29 May 2025, and the DOI's response is tabled below

Papers, reports, and information requested by the Committee	DOI's response
In its letter dated 29 May 2025, the Committee invited the Department to a virtual meeting on 5 June 2025 to brief the Committee on the consideration of Vote 10: Infrastructure, in the Schedule to the Western Cape Appropriation Bill [B4-2025].	The Department attended the meeting on 5 June 2025 and briefed the Committee on the consideration of Vote 10: Infrastructure, in the Schedule to the Western Cape Appropriation Bill [B4-2025]. The Department's presentation covered the following: • 2025 MTEF allocation; • 2025/26 Budget breakdown per programme; • Conditional grants; • Earmarked allocation, and • Personnel.

7.1.5 The Standing Committee's letter referenced WCPP 11/6/7 of 2 June 2025, and the DOI's response is tabled below.

Papers, reports, and information requested by the Committee	DOI's response
In its letter dated 2 June 2025, the Committee invited the Department to a meeting and briefing on 12 June 2025 with the Northwest Provincial Legislatures Portfolio Committee on Premier and Finance to brief the Committees on the design, construction, finance, operations, and maintenance of the Public Private Partnerships project and a walkabout/drive-through of the Chapmans Peak Public Private Partnerships project.	On 12 June 2025, the Department attended the meeting and accompanied the delegation on a walkabout to Chapman's Peak. The presentation covered the following: • PPP: Provincial Treasury function and regulatory framework; and • PPP: active and registered projects.

7.1.6 The Standing Committee's letter referenced WCPP 11/6/7 of 12 June 2025, and the DOI's response is tabled below.

Papers, reports, and information requested by the Committee	DOI's response
In its letter dated 12 June 2025, the Committee invited the Department and the Mossel Bay Municipality to a virtual meeting on 6 August 2025 to brief the Committee on the petitions submitted by Mr Barry Jacobs. The briefing to include briefing: • The Greenhaven flat ownership; • Projects for low-income housing projects; and • The availability of municipal land for human settlements.	The Department attended the virtual meeting on 6 August 2025. The briefing covered the issues raised by Mr Barry Jacobs in his petitions. Furthermore, the Committee and the Department considered and adopted the draft Committee minutes of 5 June 2025 and 18 June 2025, as well as the Chapmans Peak oversight report.

7.1.7 The Standing Committee's letter referenced WCPP 11/6/7 of 28 August 2025, and the DOI's response is tabled below.

Papers, reports, and information requested by the Committee	DOI's response
In its letter dated 28 August 2025, the Committee invited the Department to an oversight visit to Knysna, George, and Mossel Bay from 1-3 September 2025. The Committee requested the oversight visit and briefing to include the following: 1. George Municipality: • Tour of the Maalgate bridge widening; • The Gwaiing Road; and • The Metro Grounds BNG and FIISP Housing Project. 2. Mossel Bay Municipality: • Status of the upgrading of the Louis Fourie Road; and • The Glenhaven housing project	The Department attended the meeting and the oversight visit from 1 – 3 September 2025. The presentation covered the following: 1. The Gwaiing Road upgrade • Project Overview • Project location • Project scope 2. The widening of Maalgate Bridge • Project history • Project briefing and information • Project location • Project period, value and key stakeholders • Project scope • Contract participation goals • Project update 3. Mossel Bay – Louis Fourie Road Upgrade: • Project briefing • Project location and locality plan • Project period, value and key stakeholders • Contract participation goals • Project scope of works • Photos of work on site

7.1.8 The Standing Committee's email of 12 September 2025, and the DOI's response is tabled below.

Papers, reports, and information requested by the Committee	DOI's response
In its email dated 12 September 2025, the Committee invited the Department to a meeting on 16 October 2025 to discuss the DOI and Western Cape Rental Housing Tribunal's Annual Reports 2024/25 respectively, and the adoption of the Committee's draft Garden Route District oversight report.	The Department attended the meeting on 16 October 2025 to discuss the Annual Reports 2024/25. The Department's presentation covered the following: - • The DOI's Annual Report 2024/25; • The Western Cape Rental Housing Tribunal's Annual Report 2024/25; and • Infographics of the department's financial performance for 2024/25.

7.1.9 The Standing Committee's letter referenced WCPP 11/6/12 of 16 October 2025, and the DOI's response is tabled below.

Papers, reports, and information requested by the Committee	DOI's response
In its letter dated 16 October 2025, the Committee invited the Department to a briefing on 12 November 2025 on the Western Cape's readiness for the 2025/26 Tourism season. The Committee requested to be briefed on the following: • The status of key transport routes and road maintenance relevant to major tourism corridors; • Infrastructure upgrades and signage improvements supporting accessibility to tourism sites; and • Plans to enhance infrastructure resilience and capacity during periods of high visitor volumes.	The Department attended the briefing on 12 November 2025. The DOI's presentation covered the following: • Background; • Key transport routes and road maintenance relevant to major tourism corridors per region – Region 1: West Coast District, Overberg District, Cape Winelands District, the Metro, Region 2: Garden Route District, and Central Karoo District; • Key infrastructure upgrades and signage improvements supporting accessibility to tourism sites; and • The department's plans to enhance infrastructure resilience and capacity during periods of high visitor volumes.

7.1.10 The Standing Committee's letter referenced WCPP 11/6/7 of 20 October 2025, and the DOI's response is tabled below.

Papers, reports, and information requested by the Committee	DOI's response
In its letter dated 20 October 2025, the Committee invited the Department to a virtual meeting on 8 December 2025 to brief the Committee on Vote 10: Infrastructure, in the Schedule to the Western Cape Adjustments Appropriation Bill, 2025.	The Department attended the virtual meeting on 8 December 2025, on Vote 10: Infrastructure in the Schedule to the Western Cape Adjustments Appropriation Bill,2025, and its presentation covered the following: • Overview of the adjusted budget 2025/26 (main budget, adjusted and increase); • Additional; • Section 31 2 e: - Revenue retention 2024/25 - Revenue 2025/26 • Rollover (roads, disaster relief, administration public works, roads financial assistance, Human Settlements Vredebes solar • Re-alignment; • Financing; and • Reprioritization.

7.1.11 The Standing Committee's letter referenced WCPP 11/6/7 of 3 February 2026, and the DOI's response is tabled below.

Papers, reports, and information requested by the Committee	**DOI's response**
In its letter dated 3 February 2026, the Committee invited the Department and the George Municipality to a Public Engagement on 23 February 2026 with regards to backyard dwellers. The committee requested the DOI to address the following: - An overview of the programmes currently being implemented to enhance the living conditions of backyard dwellers; and - The strategies developed to transition backyard dwellers into formal housing.	The Department attended the Public Engagement on 23 February 2026, and its presentation covered the following: • Housing demand database verification drives; • Programmes addressing Backyard dwellers; • Funding mechanisms; • Performance for the 2024/2025 financial year; • Planned delivery for 2025/2026; • Summary of delivery and planned delivery; and • Case Study of the City of Cape Town Backyarder Service Programme.

7.1.12 The Standing Committee's letter referenced WCPP 11/6/7 of 9 March 2026, and the DOI's response is tabled below.

Papers, reports, and information requested by the Committee	**DOI's response**
In its letter dated 9 March 2026, the Committee invited the Department to a virtual meeting on 17 March 2026 to brief the Committee on the consideration of Vote 10: Infrastructure, in the Schedule to the Western Cape Appropriation Bill, 2026.	The Department attended the virtual meeting on 17 March 2026. The presentation covered the following: • The DOI's main budget overview; • 2026 MTEF allocations per programme; • Budget and Service risks; • Public Works Infrastructure key projects; • Transport Infrastructure key projects; and • Human Settlements key projects.

8 Standing Committee on Public Accounts (SCOPA) Resolutions

8.1 Response to the report of the Public Accounts Committee (PAC) on the 2024/25 Annual Report dated 10 December 2025

Vote 10: Department of Infrastructure

"The Committee noted the audit opinion of the AGSA regarding the Annual Financial Statements for the 2024/25 financial year of the Department, having obtained an unqualified audit report with no findings on pre-determined objectives. This audit opinion remains unchanged from the 2023/24 financial year. The Committee commends the Department for maintaining a clean audit outcome.

Audit Opinion

The AGSA raised no findings with the Department on compliance with laws and regulations, pre-determined objectives nor internal control deficiencies"

The Committee supports the key recommendations by the AGSA to the Accounting Officer of the Department, which indicate that the Accounting Officer should ensure the following:

Recommendation	Root Cause
• Detection and prevention controls within project management should be enhanced. • Application of processes across the department and directorates should be consistent through documented standard operating procedures. • Effective oversight over project managers, holding them accountable for the delivery of project outcomes and enforcing appropriate consequence management when responsibilities are not met.	Lack of documented standard operating procedures resulting in project management controls not being consistently applied, leading to project delays and appropriate consequence management not being taken against contractors.
Processes and procedures for collating, monitoring and the reporting of performance information should be refined through the design of documented as standard operating procedures, which should be monitored for implementation. These processes should include the assessment of information against supporting evidence on a monthly/quarterly basis, which will ensure valid, accurate and complete information is presented on a quarterly basis and will ultimately ensure that fewer misstatements exist at year-end.	Lack of documented standard operating procedures, reliance placed on deeds dump without assessing the completeness thereof and information not being assessed against supporting evidence on a monthly/quarterly basis, resulting in not all achievements being reported or invalid achievements being reported.

In addition, the AGSA identified material misstatements in the annual performance report that was submitted for auditing by the Department. These material misstatements were included in the reported performance information for Programme 3: Transport Infrastructure and Programme 4: Human Settlements. According to the AGSA, the management of the Department subsequently corrected all the misstatements, and the AGSA did not include any material findings in the Annual Report of the Department.

Achievement of planned targets

The Committee notes the targets not achieved under the following programmes:

- Programme 2: Public Works Infrastructure
    - Indicator 2.5.1 (page 90 of the Annual Report) – Poor contractor performance led to delayed completion.
    - Indicator 2.6.1 (page 91 of the Annual Report) – Use of different systems (manual IAR vs eMerge system) between planning information and actual information, resulting in planned targets being set too high.
- Programme 3: Transport Infrastructure
    - Indicator 3.1.3 (page 103 of the Annual Report) – When planned targets were set, management did not consider the previous planned visual assessments which already occurred, resulting in overestimation of the planned target set.
    - Indicator 3.4.1, 3.4.2 and 3.4.5 (pages 104 to 106 of the Annual Report) – Due to the severe flooding, which occurred during May to August 2024, funds had to be reprioritized with the operational focus towards emergency response activities.
- Programme 4: Human Settlements
    - Indicator 4.3.2 (page 116 of the Annual Report) – Poor contractor performance led to delayed completion.
    - Indicator 2.6.1 (page 91 of the Annual Report) – Underperformance of contractor, severe weather conditions in May to August 2024 led to decreased performance and some units are basically complete, but electrical work is outstanding, and they are not regarded as practically complete.

Financial management

During the financial year under review, the Department spent R9,903 billion of an appropriated budget of R10,791 billion, which resulted in an underspending of R888,361 million (91,8% budget spend). During the 2023/24 financial year, the Department spent R9,113 billion of an appropriated budget of R9,627 billion, which resulted in an underspending of R514,013 million (94,7% budget spend).

The underspending in the Department took place within the following departmental programmes:

- Programme 1: Administration (R1,861 million underspending);
- Programme 3: Transport Infrastructure (R580,766 million underspending); and

- Programme 4: Human Settlements (R305,734 million underspending).

The Committee notes that the Department's receipt collection amounted to the sum total of R233,461 million in respect of an estimated receipt collection of R101,964 million which resulted in an over collection of R131,497 million.

The over-collection took place under the following line items:

- Goods and services other than capital assets (R90,923 million);
- Interest, dividends and rent on land (R247,000);
- Sale of capital assets (R10,067 million); and
- Transactions in financial assets liabilities (R30,260 million).

The Department recorded no fruitless and wasteful expenditure, not any unauthorised expenditure during the financial year under review. However, the Department recorded irregular expenditure in the sum total of R51,270 million during the financial year under review from an opening balance of R71,221 million. Of this amount, R19,984 million was condoned during the financial year under review, while R1,114 million was under investigation. The Department implemented consequence management procedures whereby cautionary letters were issued to the implicated departmental officials.

Of the 34,754 invoices that were received during the 2024/25 financial year, 34,528 were processed and paid within 30 days. Only 228 invoices were paid after the 30-day period, which was due to interface system errors and the cessation of claims in respect of Human Settlements Development Grant and Informal Settlements Upgrading Partnership Grant.

8.2 Resolution

Resolutions	Due date	Response
Call to action Paragraph 5.1 – Page 3 The Premier, supported by the Provincial Treasury, must facilitate good inter-governmental relations through MEC's and Accounting Officers. The reviews of the annual performance plans must be intensified to ensure that all Medium-Term Development Plan (MTDP) indicators are included and that the Provincial Strategic Plan is used effectively.		Noted A letter in this regard was sent to the Head of Department on 9 January 2026 (Copy attached as Annexures A)
Call to action Paragraph 5.3 – Page 3 Provincial leadership must improve oversight over innovative methods used to enhance service and project delivery, through effective utilisation of existing provincial capabilities, ensuring compliance with laws and regulations, thereby preventing irregular expenditure.		Noted A letter in this regard was sent to the Head of Department on 9 January 2026 (Copy attached as Annexures A)
Call to action Paragraph 5.4 – Page 3 Executive authorities to apply appropriate oversight to ensure achievement of targets and inclusion of all relevant MTDP targets.		Noted A letter in this regard was sent to the Head of Department on 9 January 2026 (Copy attached as Annexures A)

Resolutions	Due date	Response
Call to action Paragraph 5.5 – Page 3 Executive authorities should oversee the risk assessment processes of Accounting Officers, to ensure that mitigation responses effectively manage compliance, service delivery and other risks.		Noted A letter in this regard was sent to the Head of Department on 9 January 2026 (Copy attached as Annexures A)
Call to action Paragraph 5.6 – Page 3 Standing Committees must monitor the implementation of annual performance plans through in-year monitoring focusing on the achievement of targets and correlation with the related budget spending to effect change in performance where needed, enhancing the lived experience of citizens in the province.		Noted A letter in this regard was sent to the Head of Department on 9 January 2026 (Copy attached as Annexures A)
Call to action Paragraph 5.7 – Page 3 Resolution tracking to be implemented to enhance adequacy of oversight for improved impact.		Noted A letter in this regard was sent to the Head of Department on 9 January 2026 (Copy attached as Annexures A)
Paragraph 6 – Page 3 PAC transversal resolutions to all stakeholders During the discussions with the departments and entities of the WCG, the Committee resolved that it would Resolve on the following matters: <u>Resolution 6.1 – Payments of invoices after 30 days</u> That the departments and entities provide detailed information (footnotes) when presenting their 30-day payments in their annual reports on how many days after the receipt of the invoice/s the department and/or entity paid such invoice; including providing reasons for the payments after 30 days. <u>Resolution 6.2 – Irregular, Fruitless and Wasteful Expenditures</u> That the departments and entities provide detailed information (footnotes) when presenting expenditures of these natures. The footnotes should include the incidences, reasons for the incidences and the consequent management measures that were implemented.		Noted A letter in this regard was sent to the Head of Department on 9 January 2026 (Copy attached as Annexures A)
Paragraph 16.4 – Page 34 Page 156 of the Annual Report – Provincial Forensic Services Case Movement Certificate <u>Resolution 16.4.1</u>	Briefing to be scheduled by the Public Accounts Committee.	Noted A letter in this regard was sent to the Head of Department on 9 January 2026 (Copy attached as Annexures A)

Resolutions	Due date	Response
The Department briefs the Committee on each case that was still open at the start of the financial year under review, the opening of new cases during the financial year under review and the cases that were closed during the financial year under review.		
Paragraph 16.4 – Page 34 Page 156 of the Annual Report – Provincial Forensic Services Case Movement Certificate Resolution 16.4.2 The Department must, in all future Annual Reports, provide a narrative for the PFS Case Movement Certificate.	Annually, as from the 2025/26 Annual Report.	Noted A letter in this regard was sent to the Head of Department on 9 January 2026 (Copy attached as Annexures A)
Paragraph 16.4 – Page 35 Page 228 of the Annual Report – The Department is the defendant in ongoing litigations and claims Resolution 16.4.3 The Department briefs the Committee on the ongoing litigation and claims against the Department and the estimated financial impact these litigations and claims have on the Department.	Briefing to be scheduled by the Public Accounts Committee.	Noted A letter in this regard was sent to the Head of Department on 9 January 2026 (Copy attached as Annexures A)
Paragraph 16.4 – Page 35 Page 239 of the Annual Report – Underspent of budget on certain programmes Resolution 16.4.4 The Department briefs the Committee on the departmental funding plan for each programme.	Briefing to be scheduled by the Public Accounts Committee.	Noted A letter in this regard was sent to the Head of Department on 9 January 2026 (Copy attached as Annexures A)

8.3 List of information required

8.3.1. A breakdown of all female-owned businesses (contractors) who have done business with the Department during the financial year under review. This request emanates from the narrative of the Department minimising conflict of interest by implementing provincial Treasury's instructions, which require all suppliers and contractors intending to do business with the Western Cape Government to register on the Western Cape Supplier Evidence Bank, as reflected on page 157 of the Annual Report. (Information provided to the Committee Coordinator).

8.3.2. A detailed Report that provides a breakdown of the investigated complaints whereby all instances where the possibility of fraud, corruption, bid rigging was reported, as reflected on page 173 under Supply Chain Management Complaints Mechanism of the Annual Report. (Information provided to the Committee Coordinator).

8.3.3. A Report on the status of the roads that were repaired those experienced disasters during the financial year under review. The request emanates from the

note Provincial Roads Maintenance Grant (Pr 3), as reflected on page 248 of the Annual Report. (Information provided to the Committee Coordinator).

9. Prior modifications to Audit Reports

There were no modifications to the Audit Reports.

10. Internal Control units

10.1. Chief Directorate: Financial Management, Directorate: Financial Governance

The purpose of the Directorate: Financial Governance (FG) is to ensure sound financial governance practices. During the course of the financial year under review, the focus was on verifying compliance to approved delegations, compliance testing of expenditure vouchers, detecting and preventing irregular, fruitless and wasteful expenditure, conducting predetermined financial inspections as indicated on its operational plan, ad hoc investigations, and providing effective and efficient fraud and loss control management services.

Issues	Work performed
Financial delegations	Financial Delegations were reviewed in totality to provide a new set of Financial Delegations for the DOI.
The development, review, and amendment of standard operating procedures (SOPs) and policies to enhance financial governance	The following financial instructions were issued during the 2025-2026 financial year: Finance Instruction 01 of 2025 – Fraud and Corruption Prevention and Response Plan 2025-26 to 2027-28 Finance Instruction 02 of 2025 – Addendum to the SOP Management of Losses and Claims Finance Instruction 03 of 2025 – Fraud and Corruption Prevention Implementation Plan 2025-26 to 2027-28 Finance Instruction 04 of 2025 – Closing procedures and dates for the 2024–2025 year end Finance Instruction 06 of 2025 – Policy w.r.t. Travel and Subsistence, Team Building, Strategic and Operational Planning sessions Finance Instruction 07 of 2025 – AFS reporting 2024-2025 Finance Instruction 08 of 2025 – AO Financial Delegations, 2025 Finance Instruction 09 of 2025 – Annual revision of Subsistence and Camping Allowances Finance Instruction 10 of 2025 – IFS reporting June 2025 Finance Instruction 12 of 2025 – IFS Reporting 30 September 2025 Finance Instruction 13 of 2025 – SOP on distributing and certifying salary advises and payrolls Finance Instruction 14 of 2025 – IFS reporting 31 December 2025 Finance Instruction 15 of 2025 – System Controller functions on transversal systems Finance Instruction 16 of 2025 – DOI Year End Book Closure Finance Instruction 17 of 2025 – AFS reporting 2025-2026

Issues	Work performed
PFS reports	Attended to investigation requests of the 3 reports received. The outcome of the 3 reports was as follows: 1 Case confirmed with no adverse findings, but with recommendations 1 Case confirmed non-compliance and irregularity 1 Cases concluded with confirmed fraud, corruption and non-compliance
External audit process	To ensure continuity with the prior year audit outcome, essential preparation work was performed prior to the commencement of the new audit cycle in January 2026.
Internal audit process	As at 31 March 2026, 3 new as well as 1 follow-up report were received. Implementations of the recommendations were managed through the Departmental Corporate Governance Improvement Plan (DCGIP).
Retention of financial information	During the 2025/26 financial year, 21 424 BAS payment vouchers, 3 378 BAS journals and 3 670 receipts were verified against the monthly document control reports to ensure completeness and safeguarding of financial information. In addition, a total of 3 959 Travel and Subsistence Claims were verified against the Travel and Subsistence Register to ensure completeness and safeguarding of financial information.
Reporting	
PAC (Resolutions)	Annually
Public Service Commission (Financial Misconduct)	Quarterly and annually
Department of Public Service and Administration (Corruption and Fraud)	Quarterly
Top Management (DCGIP)	Monthly
Audit Committee (DCGIP)	Quarterly
Top Management (Irregular, fruitless and wasteful expenditure)	Monthly
Audit Committee (Irregular, fruitless and wasteful expenditure)	Quarterly
ERMCO (Fraud Prevention Strategy Implementation Plan & Fraud Risk Registers)	Quarterly
IYM (Irregular, fruitless and wasteful expenditure)	Monthly

Issues	Work performed
DCGIP	The DCGIP was updated with findings from the AGSA Management reports, Internal Audit reports, PT gap analysis, PFS reports and PAC resolutions. At year-end, 12 projects were monitored in this regard.
Financial Manual on the Electronic Content Management system	Maintenance of the system and loading of governance documents on an ongoing basis.
Financial inspections	During the 2025/26 financial year, 4 Financial and Internal Control Inspections were conducted. 5 934 BAS payment vouchers were post audited. As part of the Inspectorate's Operational Plan, the accruals for the financial year are verified for validity, accuracy and completeness prior to submission into the AFS. In this regard, all BAS payments at Head Office and at the Regional Offices for the months of April and May after year end are inspected to ensure the amount for accruals is fairly stated.
Municipal inspections	During the 2025/26 financial year, 20% sample of the payments in relation to municipalities formed part of the post audits. There is a total of 25 municipalities spread across 6 districts within the Western Cape, namely: 1. Garden Route District – 7 municipalities 2. West Coast District – 5 municipalities 3. Central Karoo District – 3 municipalities 4. Cape Winelands District – 5 municipalities 5. Overberg District – 4 municipalities 6. Metro – City of Cape Town
Loss Control case files: Cases relate to claims against and by the state, damages to government motor vehicles and loss of moveable assets	Opening balance 1 April 2025 (544) New cases registered (304) Cases closed 31 March 2025 (363) Balance as at 31 March 2026(485)
Irregular, fruitless and wasteful case files	Opening balance 1 April 2025: (3)
	New cases registered: (1)
	Total cases investigated: (4)
	Cases closed: (4)
	Balance as at 31 March 2026: (0)

10.2. Chief Directorate: Supply Chain Management, Directorate: Governance and Demand Management

The Directorate: Governance and Demand Management rendered a service with regards to monitoring, compliance, performance management, capacity building, systems support and demand management. During the financial year under review, the Directorate was involved in the implementation and application of the AO's SCM System, as well as enhancing its processes through the develop-ment, reviewing and amendment of procedures to address and prevent internal control deficiencies. The Directorate was also responsible for the management of SCM training programmes.

Issues	Work performed
SCM commentary	Provided comments on the following instructions (Consolidated comments provided via the PT): • Joint SCM forum Consultation on Concept Papers. • Public Procurement Act. • Draft Regulations in terms of section 23 of the State Information Technology Agency Act, 1998. • PFMA SCM Instruction 10 &11of 2025-26 – Enhancing Procurement Information Transparency • BBBEE Draft Statement- General Principles and Generic Scorecard • Draft Integrated Financial Systems Policy • Draft RFQ Template (R2000 – R1000 000) • Promotion of Women's Rights, Empowerment and Gender Equality Bill, 2025
Public Accounts Committee	The Supply Chain Management Unit managed and performed preparation work to respond to request by the Standing Committee on Infrastructure.
The issuing, development, review, and amendment of SOPs and policies to enhance SCM	• SCM Instruction 01 of 2025/2026: Movement of movable assets and compliance with LOGIS requirements. • SCM Instruction 02 of 2025/2026: Signing of the Code of Conduct for SCM practitioners and other role players involved in Supply Chain Management. • SCM Instruction 03 of 2025/2026: Reporting of SCOA responsibilities across regions in the BAS-LOGIS reconciliation. • SCM Instruction 04 of 2025/2026: Closing dates for year-end advertising and the closing of tenders and quotations. • SCM Instruction 05 of 2025/2026: Disposal of redundant, unserviceable, and obsolete assets. • SCM Instruction 06 of 2025/2026: DOI Annual Procurement Plan for 2026/27.

Capacity and skills programme implemented

The following training interventions were attended during the year:

Date	Description		External
8-9 April 2025	Milla Construction Law Conference	External	18
20-22 May 2025	Enlit Africa Conference	External	25
27-30 May 2025	Ethics Conference	External	3
July-November2025	Legal Services Training (various)	Internal	229
28-30 May 2025	Smart Procurement World Indaba Western Cape	External	95
October 2025	New Engineering and Construction Contract Training	External	115
June 2025	Employee Relations Training (various)	Internal	39
July-September 2025	Ethics in the workplace	External	105
July 2025-February 2026	Data Analytics and Power BI	Internal	43
July 2025	CIDB Training	External	28
July 2025	CSD Training (various)	Internal	145
August 2025	Women In Government Conference	External	35
September 2025	Association of Certified Fraud Examiners Conference	External	26
November 2025	CRS Training	Internal	27
November 2025	SCM Compliance Session	Internal	17
November 2025	Bid Evaluation Committee Training	Internal	97
December 2025	SCM Personal Development Session	Internal	30

<table>
<tr><th>Issues</th><th>Work performed</th></tr>
<tr><td>Collaboration initiatives with line function</td><td>Monthly engagements with the line function on the implementation of the Accounting Officer's Supply Chain Management System.
Monthly engagements with the line function regarding Supply Chain Management Programme Delivery.
Demand management Stakeholder engagement sessions for Procurement planning</td></tr>
<tr><td>Reporting
Procurement Statistics
Head of Department
Chief Financial Officer
PT
National Treasury
Auditor-General
Monitoring of the Procurement Plan
Awarded contracts
CIDB register of contracts (I-Tender)
Departmental Corporate Governance Improvement Plan
Top Management
Infrastructure Delivery Management Committee
Public Accounts Committee
Audit committee
Standing Committee on Transport and Public Works
Ethics</td><td>Monthly
Monthly
Monthly
Monthly
Monthly
Monthly
Monthly
Quarterly
Monthly
Monthly
Monthly
Monthly
Monthly
As required
As required
As required
Quarterly</td></tr>
<tr><td>Procurement through bidding processes</td><td>Formal bids:<table><tr><th colspan="2">2025/26 financial year</th></tr><tr><td>Number of contracts awarded</td><td>4 364</td></tr></table></td></tr>
</table>

<table>
<tr><th>Issues</th><th>Work performed</th></tr>
<tr><td></td><td>
<table>
<tr><td>Value of contracts awarded</td><td>R3 039 722 624.27</td></tr>
</table>

*Including framework packages in the main focused on construction procurement.

Value per BB-BEE Level Contributor:
<table>
<tr><th>BB-BEE Level contributor</th><th>Contract value</th><th>Number of records</th></tr>
<tr><td>0</td><td>R 277 228 068.16</td><td>341</td></tr>
<tr><td>1</td><td>R 2 846 026 179.54</td><td>3 506</td></tr>
<tr><td>2</td><td>R 357 123 345.63</td><td>959</td></tr>
<tr><td>3</td><td>R 5 549 578.25</td><td>20</td></tr>
<tr><td>4</td><td>R 32 349 598.85</td><td>183</td></tr>
<tr><td>5</td><td>R 170 791,26</td><td>2</td></tr>
<tr><td>7</td><td>R 226 297.00</td><td>1</td></tr>
<tr><td>8</td><td>R 5 606.25</td><td>1</td></tr>
<tr><td>Total</td><td>R 3 518 679 464.94</td><td>5 013</td></tr>
</table>

Informal bids:
2025-26 financial year
Number of contracts awarded 649
Value of contracts awarded R 478 956 840.67
</td></tr>
<tr><td>SCM Compliance Assessments</td><td>Compliance inspections with the aim of improving compliance and assisting with the implementation of the SCM Accounting Officer's System and its accompanying delegations:
(various Compliance Assessments were performed for the year under review)
• Formal assessment with defined methodology;
• Plan;</td></tr>
</table>

Issues	Work performed
	• Engage; • Prepare; • Assess; • Report; • Monitoring and evaluation; • Identify weaknesses; • Mutual agreement to address weaknesses; and • Continuous one-on–one guidance.
Supply Chain Management Complaints Mechanism	Investigated complaints and report all instances where the possibility of fraud, corruption, bid rigging is evident. (29 incidents investigated: 18Contractual and 11Alleged abuse of SCM).
Bidder and Staff Verification	Regular monitoring of CSD reports to detect and prevent conflict of interest WCBD4 – combined SBD 4, 8 and 9 – Declaration of interest, bidder's past SCM practices and independent bid determination is applied. Declaration of interest by SCM practitioners is adhered to and the SCM Code of Conduct is applied. Declaration of interest of bid committee members.
Compulsory registration on the National Treasury Central Supplier Database, as well as the Western Cape Supplier Evidence Bank – which serves as a central depository of all governance documents for the Western Cape Government, as well as registration on the National Treasury Central Supplier Database.	Ongoing facilitation of registering suppliers on the Western Cape Supplier Evidence Bank and Central Supplier Database by participating in Contractor Development Programme with EPWP at construction information sessions, as well as supplier development sessions (in collaboration with various stakeholders which includes organs of state such municipalities, parastatals and other eternal stakeholders); mini workshops including services fairs are co-ordinated and facilitated inviting suppliers to assist with scrutinising compulsory registration documents for completeness and following-up on the status of submitted registration documents and improving the understanding of processes. Monitoring the WCSEB and CSD to ensure that suppliers are still active and compliant. Checklists that inform and enforce compliance with compulsory registration.

11. Internal Audit and Audit Committees

11.1. Internal Audit Function (IAF)

Strategic Role and Purpose of Internal Audit

The internal audit function (IAF) is a fundamental component of the department's governance and accountability system. The WCG IAF is established in terms of section 38(1)(a)(ii) of the Public Finance Management Act (PFMA) read together with Treasury Regulation 3.2, more specifically Treasury Regulation 3.2.3. In light of Treasury Regulation 3.2.6, which stipulates that internal audit must be conducted in accordance with the Standards set by the Institute of Internal Auditors, the WCG IAF is required to comply with the International Professional Practices Framework® (IPPF®) comprising the Global Internal Audit Standards™, Topical Requirements, and Global Guidance published by the Institute of Internal Auditors (The IIA). The IPPF establishes the foundation upon which the WCG IAF acts independently and objectively in providing assurance and advisory services in respect of the department's overall governance, risk management, and internal control processes.

The WCG IAF is led by the Chief Audit Executive (CAE) and operates in terms of the Internal Audit Charter, which is approved by the Governance, Innovation and Culture Cluster Audit Committee and adopted by Provincial Top Management.

The purpose of the WCG IAF is to strengthen the WCG's ability to create, protect and sustain value by providing the Audit Committee and management with independent, risk-based, and objective assurance, advice, insight and foresight. In doing this, it enhances the WCG's

- Successful achievement of its objectives;
- Governance, risk management, and control processes;
- Decision-making and oversight;
- Reputation and credibility with its stakeholders; and
- Ability to serve the public interest.

Strategic Positioning and Independence

The WCG IAF functions independently from management and empowered with a functional reporting line directly to the Audit Committee and an administrative reporting line to the Accounting Officer. The WCG IAF's functional reporting to the audit committee is prescribed in section 38(1)(a)(ii) of the PFMA and is intended to protect the independence and objectivity of individual internal auditors. The CAE has unrestricted access to the Chairpersons of the three cluster audit committees established in the WCG. The independence of the IAF is actively protected at all times, with safeguards formally documented, monitored and reviewed by the Audit Committee to ensure that the IAF remains free from undue influence in the execution of its mandate.

Strategy

The strategy for the WCG IAF is aligned to the Strategic Framework of the Department of the Premier, which can be summarised as "Guide, Enable, Direct". The WCG IAF's strategy further aligns to the Strategy of the Branch: Corporate Assurance, i.e. "Transformed governance through proactive, agile and innovative assurance and advisory services anticipating needs of client departments and value to residents".

The WCG IAF demonstrates the value it adds to the department through incorporating resident focused audit engagements in its annual operational plan. In doing this, it contributes to improved governance through improved business processes that relate to core services of the department.

Charter, methodology and internal audit plans

The WCG IAF operates in line with a charter, aligned to the legislative prescripts and the IPPF. The charter is reviewed every second year and the most recent review was approved by the Governance, Innovation and Culture (G, I & C) Cluster Audit Committee, in terms of their mandate relating to transversal responsibilities, in December 2024. The WCG IAF has an approved methodology that aligns to the charter and sets out the detail relating to the responsibilities of the IAF as per the WCG IAF Charter and other relevant guidance.

The rolling 3-year strategic internal audit plan and annual plan for the first year of the rolling 3-year strategic plan for the DOI were reviewed and approved by the Jobs Cluster Audit Committee on 14 April 2025 and subsequently amended on 2 December 2025.

Independence and objectivity

To provide for the independence of the WCG IAF, its personnel reports to the CAE, who reports functionally to the Audit Committee, directly to the Accounting Officer on internal audit activities for the Department and administratively to the DDG: Corporate Assurance in the Department of the Premier. The CAE has confirmed the independence of the WCG IAF for the reporting period to the Governance, Innovation and Culture Cluster Audit Committee (in terms of their mandate relating to transversal responsibilities s) on 28 November 2025. All staff members of the WCG IAF annually confirmed their objectivity through a declaration of compliance to the IIA Code of Ethics as well as on an assignment level.

Internal audit modality

The WCG IAF is a fully in-sourced function.

Staffing

The approved establishment of the total WCG IAF is 81 staff members, and 49 of these posts are currently funded. Each department has a dedicated team, and there are no funded vacancies in the team responsible for the Department. The current skills and competencies of the WCG IAF staff are appropriate, and a well-informed training and development programme is in place.

Quality Assurance and Improvement Program (QAIP)

A QAIP is in place and reporting on the implementation of this takes place at the Governance, Innovation and Culture Cluster Audit Committee, in terms of their mandate relating to transversal responsibilities, on a biannual basis. The last external assessment was concluded in November 2024 and a "Generally Conform" rating was obtained. The issues arising from this are tracked and forms part of the QAIP reporting to the Governance, Innovation and Culture Cluster Audit Committee.

Stakeholder Relationships

Good relationships are maintained with the senior and executive management team of the Department, and if there are any challenges, they are discussed and interventions devised with the responsible departmental representative. In driving Combined Assurance within the WCG, ongoing relationships are maintained with the Internal Control Unit in the Department and the relevant AGSA Audit team.

Summary of work done by the IAF during the reporting period

- The approved Internal Audit plan for the Department had a total of 3 engagements, 2 assurance and 1 advisory engagement (refer to the Audit Committee report for the detail). All the engagements planned were completed.
- There were no roll-overs, no ad-hoc projects and no limitations that impeded the work of the IAF.
- 35 actions were due for implementation within this reporting period and of those 27 were implemented. The implementation rate of the previous year's follow ups was 32%. No repeat internal audit findings were identified.

12. Audit Committee

Part 1: Audit Committee Reflections

The Jobs Cluster Audit Committee is constituted as a statutory committee of the DOI to fulfil its statutory duties in terms of section 77 of the PFMA, Regulation 3.1 of the Treasury Regulations and core functions and responsibilities are set out in the Terms of Reference for Western Cape Audit Committees. The latest Terms of Reference (applicable to this reporting period) was consulted with the Provincial Top Management and approved by the Western Cape Cabinet on 29 April 2025.

Independence: The Jobs Cluster Audit Committee is totally independent from the Department. Any conflict or perceived conflict of interest is declared and dealt with accordingly in every meeting. An overall annual declaration process is also administered where all conflicts or perceived conflicts are followed up with the relevant member.

Protecting the independence of the IAF: The Chairperson of the Jobs Cluster Audit Committee attended the meetings of the G, I & C Cluster Audit Committee where it discharged its transversal responsibilities. On 28 November 2025, during this meeting, the G, I & C Cluster Audit Committee reviewed the organisational positioning of the WCG IAF and the independence declaration of the CAE. It was not necessary for the Jobs Cluster

Audit Committee to intervene in any situation impacting the independence of the WCG IAF during this reporting period.

Performance against statutory duties: The Jobs Cluster Audit Committee is satisfied that it fulfilled its responsibilities as set out in the PFMA, Treasury Regulations, IPPF and the approved Audit Committee Terms of Reference.

Composition of the Audit Committee: For this reporting period the Jobs Cluster Audit Committee had 4 members and had an appropriate mix of skill required to execute its responsibilities. All members were external members. Refer to table for the detail on membership.

Meeting Attendance: The Jobs Cluster Audit Committee convened 7 times during the period under review. All meetings were ordinary meetings, and no special meetings were required. Refer to table for the detail on meeting attendance.

Combined Assurance: The Audit Committee confirms that the approved combined assurance framework is applied, the implementation of which is facilitated by Internal Audit. The Audit Committee monitors the effectiveness of the Combined Assurance Framework, which includes co-ordination and co-operation between AGSA, the WCG IAF and other assurance providers to minimise duplication of effort, promote the use of each other's work, and to ensure all significant risk areas are addressed.

Resolution of Audit Committee recommendations: The Jobs Cluster Audit Committee is satisfied that its recommendations to the DOI received the necessary attention.

Audit Committee performance evaluation: Annual 360-degree assessments on audit committee performance are conducted. The Jobs Cluster Audit Committee received a report containing the results of the annual assessment process and during a meeting of all the Cluster Audit Committee chairpersons an approach was agreed on how to deal with the issues identified.

Remuneration of Audit Committee Members: The WCG Audit Committees are remunerated at an approved hourly rate based on the SAICA rate, and only for attendance of meetings. Chairpersons received R2 948-00 per hour and members R2 211-00 per hour. The total expenditure relating to all three WCG Audit Committees was R2.551m for the reporting period, accounted for in the Department of the Premier. Audit Committee members working at an organ of state did not receive any remuneration when serving on a WCG Audit Committee.

Part 2: Audit Committee composition and Meeting Attendance

The table below discloses relevant information on the audit committee member

Name and Surname	Qualifications	Professional Affiliation	Term of Office		No of meetings attended	Declared private and business interests in every meeting	Employed by an organ of state	No of other ACs the member served on during reporting period	No of other governance structures member served on during reporting period
			Start Date	End Date					
Mr P Strauss (Chairperson)	B Acc; B Com Hons. (CA SA)	South African Institute of Chartered Accountants	01 April 2025 (1st Term)	31 March 2028	7	None	No	2	0
Ms L Stevens	ND: Fin Info Systems CIA, CCSA, CRMA, PEQA	Institute of Internal Auditors	01 April 2025 (2nd Term)	31 March 2028	7	None	No	2	0
Mr A Davids	B Com. Professional Post-Graduate Qualification: Company Secretarial and Governance Practice, ACG(CS)	Chartered Governance Institute of Southern Africa South African Institute of Business Accountants	01 January 2023 (1st Term)	31 March 2026	6	None	No	1	3
Mr N Gumbi	Compt Hon; CA (SA)	South African Institute of Chartered Accountants	01 April 2025 (1st Term)	31 March 2028	7	None	No	0	0

13. Audit Committee Report

The Audit Committee is pleased to present its report for the 2025/26 financial year. This report reflects the Committee's independent assessment, based on matters considered throughout the year and assurance obtained from management, Internal Audit, Enterprise Risk Management, Internal Control, Provincial Forensic Services and the Auditor-General of South Africa. It should be read together with the information on the Committee's composition, responsibilities and attendance presented in section 12 above.

13.1. Part 1: Audit committee Reflections- 2025/26

The Committee approached its work with independence, professional scepticism and a clear focus on the public interest. In my view, the department maintained a strong governance and control environment.

The Committee provided oversight on financial and performance reporting, risk and combined assurance, internal control, ethics, ICT governance and procurement compliance.

The Committee maintained constructive relationships with the Accounting Officer, management, Internal Audit and AGSA while preserving its ability to challenge information and request further assurance. Members declared private and business interests at each meeting and no conflict impaired the Committee's work. The Committee monitored the organisational independence of Internal Audit and the Chief Audit Executive and did not identify a limitation or threat requiring intervention.

The Committee considered the 2025 Stakeholder and Member Assessment and the 2025 evaluation of performance against the approved Terms of Reference, completed in October 2025. All members participated in the relevant assessments and sufficient stakeholders responded. Stakeholders were generally satisfied with the Committee and its members, and the Terms of Reference evaluation indicated broad compliance without any serious issues requiring specific intervention.

The Committee nevertheless noted opportunities to maintain a strategic rather than operational focus, remain within its mandate and ensure that recommendations emerge from collective deliberation. These observations will inform the Committee's continuing improvement

13.2. Part 2: Audit Committee composition and Attendance

The Committee was properly constituted and comprised of four external members with an appropriate combination of financial, governance, risk, internal audit and information technology expertise.

13.3. Audit Committee Focus Areas

Effectiveness of internal control systems: The Department is responsible for maintaining systems of internal control that support effective operations, reliable financial and performance reporting, the safeguarding of resources and compliance with applicable legislation. These controls are supported by the Western Cape Government Combined

Assurance Framework, which integrates assurance provided by management, internal assurance functions, Internal Audit and AGSA.

The Committee considered quarterly reports from management and assurance providers, reviewed internal and external audit results and monitored corrective actions. Internal Audit concluded that control processes were adequate, efficient and effective, subject to the deficiencies identified in individual engagements. Apart from the AGSA findings as per their annual report the Committee considers the overall systems of internal control generally adequate and effective.

Management attention is required to strengthen preventative compliance controls over procurement, eliminate irregular and fruitless and wasteful expenditure, and complete outstanding corrective actions within agreed timeframes.

Effectiveness of the internal audit function: The Committee approved the risk-based Internal Audit plan and reviewed progress and engagement results quarterly.

The planned engagements:

- DPSA Directive on Public Administration and Management Delegations
- Masakh'iSizwe Bursary Programme
- Rental Housing Advisory

were completed within the approved timelines and budget.

Internal Audit operated in accordance with its mandate and the Global Internal Audit Standards and coordinated its work with other assurance providers. The Committee is satisfied with its independence, objectivity, competence and overall effectiveness. The areas for improvement as noted by internal audit during the performance of their work, were agreed to by management. The Audit Committee monitors the implementation of the agreed actions on a quarterly basis.

Effectiveness of risk management: The Committee obtained assurance through quarterly enterprise-risk reports, strategic and operational risk registers, control self-assessments, ERM Committee deliberations, Internal Audit engagements and combined assurance. The Committee considers the risk-management arrangements generally as adequate and progressively maturing.

Adequacy, reliability and accuracy of the financial and performance information: The Committee reviewed quarterly in-year monitoring and performance reports, the draft and updated annual financial statements, the annual performance report and the results of external audit. The Committee considers the financial and performance information reliable and suitable for oversight.

Adequacy and effectiveness of Information and Communication Technology (ICT) Governance: The Committee considered quarterly ICT governance and assurance reports covering governance structures, project and expenditure oversight, procurement dependencies, cybersecurity awareness and ICT risks.

Accounting and auditing concerns identified as a result of internal and external audits: The Committee reviewed Internal Audit and AGSA reports and monitored management's responses on a quarterly basis.

Compliance with legal and regulatory provisions: The Committee monitors quarterly compliance, internal-control, ethics, forensic and assurance reports together with AGSA's work on selected legislative requirements.

Evaluation of annual financial statements: The Committee reviewed and discussed the annual financial statements, accounting policies and practices, annual performance report, AGSA management report, management responses, audit results and compliance matters with the Accounting Officer and AGSA. It was satisfied with the quality and timeliness of the financial information made available.

At its year-end audit meeting in August 2026, the Committee considered the updated annual financial statements and recommended them for approval and inclusion in the Annual Report, read together with AGSA's report.

External Audit: The Committee reviewed AGSA's audit strategy, auditor's report and final management report and engaged with AGSA and the Accounting Officer. AGSA confirmed compliance with the applicable ethical and independence requirements.

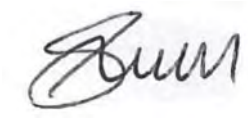
Auditor-**General's Report:** The Committee concurs with and accepts AGSA's conclusions and is of the opinion that the audited annual financial statements should be accepted and read together with the final auditor's report.

Any other issues / matters not covered above: None.

Conclusion

The Committee is satisfied that it discharged its responsibilities and that the departments governance, risk-management and internal-control arrangements were generally adequate and effective. It commends the Department for maintaining its similar audit opinion as the previous year.

The Committee appreciates the constructive engagement of the Accounting Officer, management, Internal Audit, Enterprise Risk Management, Internal Control, Provincial Forensic Services and AGSA. It will continue to monitor the identified improvement opportunities to support sustainable clean administration and effective governance



Mr Pieter Strauss

Chairperson of the Jobs Cluster Audit Committee

Date: 12 August 2026

14. B-BBEE compliance performance information

Name of Sphere of Government / Public Entity / Organ of State:	Western Cape Department of Infrastructure
Registration Number (If Applicable):	N/A
Physical Address:	9 Dorp Street, Cape Town, 8000
Type of Sphere of Government / Public Entity / Organ of State:	Provincial Government
Organisation Industry / Sector	Public Sector

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

Has the Department/ public entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1–8) with regards to the following:		
Criteria	Response Yes/ No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	n/a	No licences, concessions or other authorisations in respect of economic activity.
Developing and implementing a preferential procurement policy?	Yes	1. The Preferential Procurement Regulations, 2022 (PPR 2022) were promulgated on 4 November 2022 with an effective date of 16 January 2023. 2. Cabinet approved an interim strategy for WCG via Cabinet Minute 544 of 2022, noting that organs of state may develop their own preferential procurement policies in terms of section 5 of the Preferential Procurement Policy Framework Act (PPPFA), and providing executive guidance on the WCG's way forward in response to the PPR 2022: i. In order to ensure stability in the current procurement system post 16 January 2023, the WCG will in the interim continue to utilise the preferential procurement goals contemplated in section 2(1)(d) of the PPPFA and the relevant BB-BEE scorecards will be accepted as supporting evidence to claim preference points, until the appropriate executive policy directives and technical reviews have been concluded; ii. A technical review will be undertaken on the current procurement system to define a legal way forward for the province that focuses on value for money, appropriate redress and reforming the current procurement system over time, informed by policy directives from executive; and iii. Cabinet be regularly kept abreast on any developments and progress on position papers and the review. This should include developments in municipal procurement

Has the Department/ public entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1–8) with regards to the following:		
Criteria	Response Yes/ No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
		policies as well as approaches to local content and localisation. 3. On 18 September 2024, cabinet minute 225 of 2024 was endorsed which confirmed the continuation of WCG's current procurement system until the technical review is completed and a clear, practical path forward is developed and presented to cabinet for concurrence. In addition, should any new regulations or instructions necessitate a change in strategy, the PT will seek further guidance from the Executive. 4. The Procurement Act, 2024 was subsequently Gazetted incorporating the PPPF framework with regulations to be issued. This Act is under contestation at the Constitutional Court to be heard shortly. In the interim the status quo re-mains.
Determining qualification criteria for the sale of state-owned enterprises?	n/a	This is not applicable as there has not been such a sale.
Developing criteria for entering into partnerships with the private sector?	n/a	No partnerships entered with the private sector.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	n/a	No incentives and investment schemes in support of Broad Based Black Economic Empowerment.

Approved by:



Accounting Authority:

Department of Infrastructure:

Date: 31 August 2026

Management control element

Refer to Part D: Human Resource Management – Table 3.6.1.

Skills development element

Refer to Part D: Human Resource Management – Table 3.5.7.

Enterprise and supplier development element

Refer to Part C: SCM Governance and Demand Management – Procurement through bidding processes for the procurement spend on all suppliers.

Refer to Part B: Performance information, Table 26 for supplier and enterprise development.

Socio economic development element

Refer to Part B: Performance information, Table 20 and Table 21 Sub-programmes 3.4 Construction: Utilisation of the immovable asset portfolio to support government's socio-economic objectives.



PART D

Human resource management

Part D: Human Resource Management

1 Introduction

People remain at the heart of the DOI's ability to deliver on its mandate to enable infrastructure-led growth and investment in the Western Cape and to bring about change in the lived reality of communities through targeted interventions and clear policy direction in the infrastructure space. This section outlines how the department approached the management, development and support of its workforce over the past financial year, with a focus on key indicators that reflect both progress and areas requiring continued attention.

The reporting period was shaped by ongoing fiscal pressure, operational complexity and a rapidly evolving world of work. Challenges such as talent retention, succession planning and equitable workforce representation continued to shape the people management agenda. The year under review also required the department to remain responsive to its broad infrastructure mandate, including infrastructure planning, delivery and coordination, provincial roads, public works, human settlements and community-based programmes. In parallel, there was growing emphasis on leveraging digital tools, workforce data and strategic planning to drive more integrated, future-fit solutions. DOI's approach remained grounded in a commitment to building organisational capability while adapting to resource constraints, in support of resilient, inclusive and safe infrastructure that contributes to spatial transformation and benefits the communities it serves.

This section presents a high-level view of people-related trends and developments, including workforce movement, recruitment activity, performance outcomes and transformation indicators. It is intended to provide transparency on the state of the department's human capital, while informing future planning and policy discussions across the provincial administration.

2 Status of people management at the Department

2.1 Departmental workforce planning priorities

The role of workforce planning is important to ensure that the department has the required number of people with the requisite skills, knowledge and attitudes to perform the work. Through this process the department annually assesses its workforce profile against current and future organisational needs.

The aim of this assessment is to identify to what extent the current workforce profile addresses the key people management outcomes that would guarantee service continuity and value.

The Workforce Plan 2023-2026 is therefore aligned to the vision and mission of the DOI's Strategic Plan.

The assumptions on which this Workforce Plan was developed are still valid and the Action Plan was reviewed to ensure that the strategies (as per the listed priorities) would achieve its outcomes:

- Identifying and developing the required organisational capability;
- Values and competency-based recruitment practices (which includes the possibility of an online application and screening system to enhance the recruitment practices and attract the right candidates that are future and culture-fit);
- Diversifying the talent pool;
- Learning interventions to address the following:
    - Talent and skills development for employees on new emerging skills (e.g. 4IR (Fourth Industrial Revolution) meta competencies/ functional and technical skills as well as behavioural skills) that are critically needed to support the future-fit organisation; and
    - Prioritise training interventions to address Departmental Critical Competencies and Career Development Plan requirements (department-specific, aligned with Personal Development Plans, Workplace Skill Plans and generic/ transversal competencies per salary band);
- Development and implementation of the Future Fit Skills Strategy;
- Youth development programmes for assisting with creating talent pipelines (internships);
- Reconfiguration of the PTI into a provincial learning and innovation centre;
- Employment Equity priorities according to the departmental EE Plan to guide the Recruitment and Selection decisions of the Department;
- Provide Health and Wellness interventions/services in support of employee wellbeing; and
- Develop and implement the transition to a New Way of Work/WCG citizen-centric culture project.

2.2 Employee performance management

The purpose of performance management is to increase performance by encouraging individual commitment, accountability and motivation.

All employees are required to complete a performance agreement before 31 May each year. The agreement is in essence a contract between the employer and the employee containing the projects, programmes, activities, expectations and standards for the required delivery. In order to facilitate a standardised administration process, the WCG has devised an electronic system, namely the Performance Management Information System (PERMIS), that allows for the entire performance management process to be captured, monitored and managed.

The performance management process requires that a mid-year review and an annual assessment is conducted, but that the operational targets and achievements linked to the performance agreement be monitored and communicated on an ongoing basis. In

instances where targets or performance expectations are not met, the gaps are addressed through the management of poor performance. In this context, a performance consulting unit has been established within the Department of the Premier (Chief Directorate: People Management Practices) to assist line managers (people managers) in dealing with poor performance. The process is developmental. In instances where individuals have been identified as poor performers in terms of the legislative framework, they are required to subject themselves to a developmental plan or alternatively to disciplinary action.

2.3 Employee wellness

The WCG's transversal Employee Health and Wellness (EHW) programme follows a holistic approach to employee well-being and is largely preventative in nature, offering both primary and secondary services.

The EHW programme is monitored in the department through monthly utilisation reports for primary services (24/7/365 telephonic counselling service, online e-Care service and reporting) and secondary services (face-to-face counselling, trauma and critical incidents, training and targeted intervention and advocacy).

A quarterly report is prepared by the Directorate: Transversal People Capacity Enablement within the Department of the Premier that provides a trend analysis of utilisation, risk identification and its impact on productivity. Furthermore, on-going reporting to the DPSA is a requirement and such re-porting focuses on four areas namely, HIV/ AIDS, Health and Productivity, Wellness Management and Safety Health Environment Risk and Quality.

2.4 People management monitoring

The DOI, in collaboration with the Department of the Premier, monitors a range of people management compliance indicators. The online Barometer dashboard, developed by the Chief Directorate: People Management Practices within the Department of the Premier, provides regular updates on the workforce profile and other relevant people management information to inform monitoring, planning and decision-making.

3 People management oversight statistics

3.1 Personnel related expenditure

The following tables summarise final audited expenditure by programme (Table 3.1.1) and by salary bands (Table 3.1.2).

The figures in Table 3.1.1 are drawn from the Basic Accounting System (BAS) and the figures in Table 3.1.2 are drawn from the Personnel and Salary System (PERSAL). The two systems are not synchronised for salary refunds in respect of staff appointments and resignations and/or transfers to and from other departments. This means there may be a difference in the total expenditure reflected on these systems.

The key in the table below is a description of the Programmes within the Department. Programmes will be referred to by their number from this point forward.

Programme	Programme Description
Programme 1	Administration
Programme 2	Public Works Infrastructure
Programme 3	Transport Infrastructure
Programme 4	Human Settlements
Programme 5	Community Based Programmes/ EPWP

Table 3.1.1: Personnel expenditure by Programme, 2025/26

Programme	Total expenditure **(R'000)**	Personnel expenditure **(R'000)**	Training expenditure **(R'000)**	Goods and services **(R'000)**	Personnel expenditure as a % of total expenditure	Average personnel expenditure per employee **(R'000)**	Number of employees
1	365 189	196 196	28 107	132 526	53.7	548	358
2	2 634 742	311 670	1 141	1 258 689	11.8	578	539
3	5 201 747	313 738	1 416	1 136 039	6.0	366	858
4	2 435 558	155 118	9 152	119 096	6.4	611	254
5	79 602	49 764	11 341	27 720	62.5	701	71
Total	10 716 838	1 026 486	51 157	2 674 070	9.6	494	2 080

Note: The number of employees refers to all individuals remunerated during the reporting period, including interns (Premier's Advancement of Youth [PAY], matric, graduate etc.), but excluding the Provincial Minister. The number of employees is cumulative and not a snapshot as at a specific date.

Table 3.1.2: Personnel expenditure by salary band, 2025/26

Salary bands	Personnel expenditure **(R'000)**	% of total personnel expenditure	Average personnel expenditure per employee **(R'000)**	Number of employees remunerated
Interns	5 609	0,5	122	46
Lower skilled (Levels 1-2)	18 501	1,8	223	83
Skilled (Levels 3-5)	223 065	21,9	277	806
Highly skilled production (Levels 6-8)	281 344	27,6	491	573
Highly skilled supervision (Levels 9-12)	430 466	42,2	815	528
Senior management (Levels 13-16)	61 559	6,0	1 399	44
Total	1 020 545	100,0	491	2 080

Note: The number of employees refers to all individuals remunerated during the reporting period, including interns (PAY, matric, graduate etc.), but excluding the Provincial Minister. The number of employees is cumulative and not a snapshot as at a specific date.

Table 3.1.3: Salaries, overtime, housing allowance and medical assistance by programme, 2025/26

Programme	Salaries		Overtime		Housing allowance		Medical assistance	
	Amount **(R'000)**	Salaries as a % of personnel expendi-ture	Amount **(R'000)**	Overtime as a % of personnel expenditure	Amount **(R'000)**	Housing allowance as a % of personnel expendi-ture	Amount **(R'000)**	Medical assistance as a % of personnel expendi-ture
1	139 321	13,7	201	0,0	4 477	0,4	11 335	1,1
2	220 359	21,6	949	0,1	6 833	0,7	14 597	1,4
3	206 679	20,3	1 963	0,2	14 421	1,4	32 869	3,2
4	107 486	10,5	699	0,1	3 894	0,4	8 469	0,8
5	28 109	2,8	-	-	1 097	0,1	3 084	0,3
Total	701 954	68,8	3 812	0,4	30 720	3,0	70 355	6,9

Note: The figures in Table 3.1.3 and 3.1.4 are drawn from the PERSAL system and not BAS. The two systems are not synchronised for salary refunds in respect of staff appointments and resignations and/or transfers to and from other departments. This means there may be a difference in the expenditure reflected on these systems, e.g. Salaries, Overtime, Housing and Medical Assistance. The above expenditure reflects for all individuals remunerated during the reporting period, including interns (PAY, matric, graduate and student), but excluding the Provincial Minister.

Table 3.1.4: Salaries, overtime, housing allowance and medical assistance by salary band, 2025/26

Salary Bands	Salaries		Overtime		Housing allowance		Medical assistance	
	Amount **(R'000)**	Salaries as a % of personnel expenditure	Amount **(R'000)**	Overtime as a % of personnel expendi-ture	Amount **(R'000)**	Housing allowance as a % of personnel expendi-ture	Amount **(R'000)**	Medical assistance as a % of personnel expendi-ture
Interns	5 589	0,5	3	0,0	-	-	-	-
Lower skilled (Levels 1-2)	10 854	1,1	339	0,0	1 483	0,1	3 536	0,3
Skilled (Levels 3-5)	139 682	13,7	2 085	0,2	14 348	1,4	33 899	3,3
Highly skilled production (Levels 6-8)	201 587	19,8	896	0,1	9 737	1,0	22 268	2,2
Highly skilled supervision (Levels 9-12)	302 892	29,7	489	0,0	5 151	0,5	10 366	1,0
Senior management (Levels 13-16)	41 351	4,1	-	-	-	-	285	0,0
Total	701 954	68,8	3 812	0,4	30 720	3,0	70 355	6,9

Note: The figures in Table 3.1.3 and 3.1.4 are drawn from the PERSAL system and not BAS. The two systems are not synchronised for salary refunds in respect of staff appointments and resignations and/or transfers to and from other departments. This means there may be a difference in the expenditure reflected on these systems, e.g. Salaries, Overtime, Housing and Medical Assistance. The above expenditure reflects for all individuals remunerated during the reporting period, including interns (PAY, matric, graduate and student), but excluding the Provincial Minister.

3.2 Employment and vacancies

The following tables summarise the number of active posts on the establishment, the number of employees (excluding interns and the Provincial Minister), and the percentage active vacant posts as at the end of the financial year. This information is presented in terms of three key variables, namely: Programme (Table 3.2.1), Salary Band (Table 3.2.2) and Critical Occupations (Table 3.2.3). All information in this section is provided as a snapshot as at the end of the financial year under review.

Table 3.2.1: Employment and vacancies by programme, as at 31 March 2026

Programme	Number of active posts	Number of posts filled	Vacancy rate %
1	338	321	5,0
2	538	502	6,7
3	953	800	16,1
4	232	225	3,0
5	61	61	-
Total	2 122	1 909	10,0

Note: The number of active posts refers to posts that can either be filled, in a recruitment process (funding approved) or vacant (linked to an acting appointment with remuneration or funded but not yet advertised).

Table 3.2.2: Employment and vacancies by salary band, as at 31 March 2026

Salary Band	Number of active posts	Number of posts filled	Vacancy rate %
Lower skilled (Levels 1-2)	98	95	3,1
Skilled (Levels 3-5)	893	778	12,9
Highly skilled production (Levels 6-8)	566	523	7,6
Highly skilled supervision (Levels 9-12)	514	471	8,4
Senior management (Levels 13-16)	51	42	17,6
Total	2 122	1 909	10,0

Note: The number of active posts refers to posts that can either be filled, in a recruitment process (funding approved) or vacant (linked to an acting appointment with remuneration or funded but not yet advertised).

Table 3.2.3: Employment and vacancies by critical occupation, as at 31 March 2026

Critical occupations	Number of active posts	Number of posts filled	Vacancy rate %
Architect	49	49	-
Architectural Technician	6	6	-
Architectural Technologist	18	14	22,2
Construction Project Manager	11	10	9,1
Engineer	73	61	16,4
Engineering Technician	42	29	31,0
Engineering Technologist	15	11	26,7
Environmental Officer	2	-	100,0
GISc Professional	1	1	-
GISc Technician	4	4	-
GISc Technologist	1	1	-
Quantity Surveyor	30	30	-
Survey Technician	5	5	-

Critical occupations	Number of active posts	Number of posts filled	Vacancy rate %
Town and Regional Planner	11	11	-
Total	**268**	**232**	**13,4**

Note: Critical occupations - refer to occupations that are critical for service delivery. If these occupations are not present in the DOI, the function/services will collapse. The number of active posts refers to posts that can either be filled, in a recruitment process (funding approved) or vacant (linked to an acting appointment with remuneration or funded but not yet advertised).

3.3 Job evaluation

Job evaluation was introduced as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executive authorities are required to evaluate each new post in his or her organisation or re-evaluate any post where the post mandate or content has significantly changed. This job evaluation process determines the grading and salary level of a post. It should be understood that job evaluation and staff performance management differ in the sense that job evaluation refers to the value/ weighting of the activities that are associated with the post and staff performance management refers to the review of an individual's performance.

Table 3.3.1 summarises the number of posts that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 3.3.1: Job evaluation, 1 April 2025 to 31 March 2026

Salary Band	Total number of active posts as at 31 March 2026	Number of posts evaluated	% of posts evaluated	Posts upgraded		Posts downgraded	
				Number	Posts upgraded as a % of total posts	Number	Posts downgraded as a % of total posts
Lower skilled (Levels 1-2)	98	-	-	-	-	-	-
Skilled (Levels 3-5)	893	2	0,2	-	-	-	-
Highly skilled production (Levels 6-8)	566	15	2,7	-	-	-	-
Highly skilled supervision (Levels 9-12)	514	4	0,8	-	-	-	-
Senior Management Service Band A (Level 13)	35	2	5,7	-	-	-	-
Senior Management Service Band B (Level 14)	11	-	-	-	-	-	-
Senior Management Service Band C (Level 15)	4	-	-	-	-	-	-

Salary Band	Total number of active posts as at 31 March 2026	Number of posts evaluated	% of posts evaluated	Posts upgraded		Posts downgraded	
				Number	Posts upgraded as a % of total posts	Number	Posts downgraded as a % of total posts
Senior Management Service Band D (Level 16)	1	-	-	-	-	-	-
Total	**2 122**	**23**	**1,1**	-	-	-	-

Note: The "number of posts evaluated" per salary band reflects the final approved post level after job evaluation. The number of active posts refers to posts that can either be filled, in a recruitment process (funding approved) or vacant (linked to an acting appointment with remuneration or funded but not yet advertised).

Table 3.3.2: Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2025 to 31 March 2026

Beneficiaries	African	Coloured	Indian	White	Total
Female	-	-	-	-	-
Male	1	-	-	-	1
Total	1	-	-	-	1
Employees with a disability					-

Note: The employee salary was upgraded as a result of a job evaluation process that took place in previous years.

Table 3.3.3 summarises the number of cases where salary levels exceeded the grade determined by job evaluation or where higher notches awarded to employees within a particular grade. Reasons for the deviation are provided in each case.

Table 3.3.3: Employees who have been granted higher salaries than those determined by job evaluation per major occupation, 1 April 2025 to 31 March 2026

Major occupation	Number of employees	Job evaluation level	Remuneration on a higher salary level	Remuneration on a higher notch of the same salary level	Reason for deviation
None					

Table 3.3.4: Profile of employees who have been granted higher salaries than those determined by job evaluation, 1 April 2025 to 31 March 2026

Beneficiaries	African	Coloured	Indian	White	Total
None					

3.4 Employment changes

Turnover rates provide an indication of trends in the employment profile of the DOI during the year under review. The following tables provide a summary of turnover rates by salary band (Table 3.4.1) and by critical occupation (Table 3.4.2). This section does not include intern information.

Table 3.4.1: Annual turnover rates by salary band, 1 April 2025 to 31 March 2026

Salary Band	Number of employees as at 31 March 2025	Turnover rate 2024/25 %	Appoint-ments into the Depart-ment	Transfers into the Department	Termina-tions out of the Depart-ment	Transfers out of the Department	Turnover rate 2025/26 %
Lower skilled) (Levels 1-2)	85	3,3	16	-	3	-	3,5
Skilled (Levels 3-5)	752	6,7	91	2	45	9	7,2
Highly skilled production (Levels 6-8)	492	12,4	65	6	36	5	8,3
Highly skilled supervision (Levels 9-12)	441	13,0	52	2	32	6	8,6
Senior Management Service Band A (Level 13)	30	16,7	1	-	1	-	3,3
Senior management Service Band B (Level 14)	9	10,0	-	-	-	-	-
Senior management Service Band C (Level 15)	1	33,3	-	-	-	-	-
Senior management Service Band D (Level 16)	1	-	-	-	-	-	-
Total	1 811	9,9	225	10	117	20	7,6
			235		137		

Note: Transfers refer to the lateral movement of employees from one public service department to another. The turnover rate is determined by calculating the total exits as a percentage of the baseline (number of employees as at 31 March 2025).

Table 3.4.2: Annual turnover rates by critical occupation, 1 April 2025 to 31 March 2026

Critical Occupation	Number of employees as at 31 March 2025	Turnover rate 2024/25 %	Appoint-ments into the Depart-ment	Transfers into the Department	Termina-tions out of the Depart-ment	Transfers out of the Department	Turnover rate 2025/26 %
Architect	45	6,7	3	-	1	-	2,2
Architectural Technician	7	-	-	-	-	-	-
Architectural Technologist	14	10,0	3	-	2	-	14,3
Construction Project Manager	11	7,7	1	-	2	-	18,2
Engineer	57	27,3	9	1	5	1	10,5
Engineering Technician	25	24,0	5	-	1	-	4,0
Engineering Technologist	8	11,1	3	1	1	-	12,5

Critical Occupation	Number of employees as at 31 March 2025	Turnover rate 2024/25 %	Appoint-ments into the Depart-ment	Transfers into the Department	Termina-tions out of the Depart-ment	Transfers out of the Department	Turnover rate 2025/26 %
Environmental Officer	-	-	-	-	-	-	-
GISc Professional	1	-	-	-	-	-	-
GISc Technician	4	-	-	-	-	-	-
GISc Technologist	1	33,3	-	-	-	-	-
Quantity Surveyor	26	16,0	6	1	3	-	11,5
Survey Technician	5	-	-	-	-	-	-
Town and Regional Planner	7	14,3	6	-	2	-	28,6
Total	211	16,4	36	3	17	1	8,5
			39		18		

Note: The turnover rate is determined by calculating the total exits as a percentage of the baseline (number of employees as at 31 March 2025).

Table 3.4.3: Staff leaving the employ of the DOI, 1 April 2025 to 31 March 2026

Exit category	Number	% of total exits	Number of exits as a % of total number of employees as at 31 March 2025
Death	2	1,5	0,1
Resignation *	59	43,1	3,3
Expiry of contract	15	10,9	0,8
Dismissal – operational changes	-	-	-
Dismissal – misconduct	3	2,2	0,2
Dismissal – inefficiency	-	-	-
Discharged due to ill-health	2	1,5	0,1
Retirement	36	26,3	2,0
Employee initiated severance package	-	-	-
Transfers to Statutory Body	-	-	-
Transfers to other Public Service departments	9	6,6	0,5
Promotion to another WCG Department	11	8,0	0,6
Total	137	100,0	7,6

Note: Table 3.4.3 identifies the different exit categories for those staff members who have left the employ of the DOI.

** Resignations are further discussed in tables 3.4.4 and 3.4.5.*

Table 3.4.4: Reasons why staff resigned, 1 April 2025 to 31 March 2026

Resignation reasons	Number	% of total resignations
Family/Personal circumstances	1	1,7
No reason provided	39	66,1
Other occupation	11	18,6
Personal health	1	1,7

Resignation reasons	Number	% of total resignations
Successful for a contract position within the DOI	1	1,7
Successful for a higher-level permanent position within the DOI	4	6,8
Successful for a permanent position within the DOI	2	3,4
Total	59	100,0

Table 3.4.5: Different age groups of staff who resigned, 1 April 2025 to 31 March 2026

Age group	Number	% of total resignations
Ages <19	-	-
Ages 20 to 24	-	-
Ages 25 to 29	5	8,5
Ages 30 to 34	18	30,5
Ages 35 to 39	14	23,7
Ages 40 to 44	11	18,6
Ages 45 to 49	9	15,3
Ages 50 to 54	1	1,7
Ages 55 to 59	-	-
Ages 60 to 64	1	1,7
Ages 65 >	-	-
Total	59	100,0

Table 3.4.6: Employee initiated severance packages

Total number of employee-initiated severance packages offered in 2025/26	None

Table 3.4.7: Promotions by salary band, 1 April 2025 to 31 March 2026

Salary Band	Employees as at 31 March 2025	Promotions to another salary level	Promotions as a % of total employees	Progressions to another notch within a salary band	Notch progressions as a % of total employees within a salary band
Lower skilled (Levels 1-2)	85	-	-	53	62,4
Skilled (Levels 3-5)	752	20	2,7	470	62,5
Highly skilled production (Levels 6-8)	492	14	2,8	294	59,8
Highly skilled supervision (Levels 9-12)	441	23	5,2	268	60,8
Senior management (Levels 13-16)	41	1	2,4	26	63,4
Total	1 811	58	3,2	1 111	61,3

Note: Employees who do not qualify for notch progressions are not included. Promotions refer to the total number of employees who have advanced to a higher post level within the DOI by applying and being successful for an advertised post through the recruitment and selection process.

Table 3.4.8: Promotions by critical occupation, 1 April 2025 to 31 March 2026

Critical occupation	Employees as at 31 March 2025	Promotions to another salary level	Promotions as a % of total employees in critical occupations	Progressions to another notch within a critical occupation	Notch progressions as a % of total employees within a critical occupation
Architect	45	4	8,9	25	55,6
Architectural Technician	7	-	-	4	57,1
Architectural Technologist	14	1	7,1	5	35,7
Construction Project Manager	11	-	-	6	54,5
Engineer	57	-	-	23	40,4
Engineering Technician	25	4	16,0	13	52,0
Engineering Technologist	8	2	25,0	8	100,0
Environmental Officer	-	-	-	-	-
GISc Professional	1	-	-	-	-
GISc Technician	4	-	-	4	100,0
GISc Technologist	1	-	-	1	100,0
Quantity Surveyor	26	-	-	13	50,0
Survey Technician	5	-	-	3	60,0
Town and Regional Planner	7	-	-	2	28,6
Total	211	11	5,2	107	50,7

Note: Employees who do not qualify for notch progressions are not included. Promotions refer to the total number of employees who have advanced to a higher post level within the DOI by applying and being successful for an advertised post through the recruitment and selection process.

3.5 Employment equity

Table 3.5.1: Total number of employees (including employees with disabilities) in each of the following occupational levels, as at 31 March 2026

Occupational Levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	-	-	-	-	-	2	-	-	-	-	2
Senior management (Levels 13-14)	3	8	2	6	4	9	-	8	-	-	40
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	49	130	15	90	54	86	14	44	7	5	494
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	90	121	4	11	131	161	2	23	1	-	544

Occupational Levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Semi-skilled and discretionary decision making (Levels 3-5)	167	368	-	8	91	114	-	2	-	-	750
Unskilled and defined decision making (Levels 1-2)	14	22	-	1	24	18	-	-	-	-	79
Total	323	649	21	116	304	390	16	77	8	5	1 909
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
Grand total	323	649	21	116	304	390	16	77	8	5	1 909

A = African; C = Coloured; I = Indian; W = White.

Note: The figures reflected per occupational levels include all permanent, part-time and contract employees. Furthermore, the information is presented by salary level and not post level. For the number of employees with disabilities, refer to Table 3.5.2.

Table 3.5.2: Total number of employees (with disabilities only) in each of the following occupational levels, as at 31 March 2026

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	-	-	-	-	-	-	-	-	-	-	-
Senior management (Levels 13-14)	-	-	-	-	-	-	-	-	-	-	-
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	1	4	-	1	1	2	-	-	-	-	9
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	1	4	-	1	2	1	-	3	1	-	13
Semi-skilled and discretionary decision making (Levels 3-5)	-	5	-	-	1	-	-	1	-	-	7
Unskilled and defined decision making (Levels 1-2)	-	1	-	1	-	-	-	-	-	-	2
Total	2	14	-	3	4	3	-	4	1	-	31
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
Grand total	2	14	-	3	4	3	-	4	1	-	31

A = African; C = Coloured; I = Indian; W = White.

Note: The figures reflected per occupational level include all permanent, part-time and contract employees. Furthermore, the information is presented by salary level and not post level.

Table 3.5.3: Recruitment, 1 April 2025 to 31 March 2026

Occupational Levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	-	-	-	-	-	-	-	-	-	-	-
Senior management (Levels 13-14)	-	-	-	-	-	-	-	1	-	-	1
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	12	11	2	6	9	7	3	2	2	-	54
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	24	12	1	-	18	15	-	1	-	-	71
Semi-skilled and discretionary decision making (Levels 3-5)	15	52	-	-	16	10	-	-	-	-	93

Occupational Levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Unskilled and defined decision making (Levels 1-2)	3	8	-	-	2	3	-	-	-	-	16
Total	54	83	3	6	45	35	3	4	2	-	235
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
Grand total	54	83	3	6	45	35	3	4	2	-	235

A = African; C = Coloured; I = Indian; W = White.

Note: Recruitment refers to the appointment of new employees to the staff establishment of the Department. The totals include transfers from other government departments and / or institutions, as per Table 3.4.1.

Table 3.5.4: Promotions, 1 April 2025 to 31 March 2026

Occupational Levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	-	-	-	-	-	-	-	-	-	-	-
Senior management (Levels 13-14)	-	-	-	1	-	-	-	-	-	-	1
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	3	4	1	5	2	8	-	-	-	-	23
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	-	6	-	-	4	4	-	-	-	-	14
Semi-skilled and discretionary decision making (Levels 3-5)	7	10	-	-	2	1	-	-	-	-	20
Unskilled and defined decision making (Levels 1-2)	-	-	-	-	-	-	-	-	-	-	-
Total	10	20	1	6	8	13	-	-	-	-	58
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
Grand total	10	20	1	6	8	13	-	-	-	-	58

A = African; C = Coloured; I = Indian; W = White.

Note: Promotions refer to the total number of employees who have advanced to a higher post level within the DOI by applying and being successful for an advertised post through the recruitment and selection process as per Table 3.4.7.

Table 3.5.5: Terminations, 1 April 2025 to 31 March 2026

Occupational Levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	-	-	-	-	-	-	-	-	-	-	-
Senior management (Levels 13-14)	1	-	-	-	-	-	-	-	-	-	1
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	5	11	1	7	4	6	-	1	1	2	38
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	8	9	-	-	8	13	1	2	-	-	41
Semi-skilled and discretionary decision making (Levels 3-5)	13	22	-	5	3	10	-	1	-	-	54
Unskilled and defined decision making (Levels 1-2)	2	-	-	-	-	1	-	-	-	-	3
Total	29	42	1	12	15	30	1	4	1	2	137
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
Grand total	29	42	1	12	15	30	1	4	1	2	137

A = African; C = Coloured; I = Indian; W = White.

Note: Terminations refer to those employees who have left the employ of the DOI, including transfers to other departments, as per Table 3.4.1.

Table 3.5.6: Disciplinary actions, 1 April 2025 to 31 March 2026

Disciplinary actions	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Suspension without pay and a final written warning	-	3	-	-	-	-	-	-	-	-	**3**
Desertion (Dismissal)	-	2	-	-	-	-	-	-	-	-	**2**
Dismissal	-	1	-	-	-	-	-	-	-	-	**1**
Total	-	6	-	-	-	-	-	-	-	-	6
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
Grand Total	-	6	-	-	-	-	-	-	-	-	6

A = African; C = Coloured; I = Indian; W = White.

Note: The disciplinary actions total refers to formal outcomes only and not headcount. For further information on the outcomes of the disciplinary hearings and the types of misconduct addressed at disciplinary hearings, refer to Tables 3.12.2 and Table 3.12.3.

Table 3.5.7: Skills development, 1 April 2025 to 31 March 2026

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management (Levels 15-16)	-	-	-	-	-	-	-	-	-
Senior management (Levels 13-14)	1	4	1	3	3	4	-	6	22
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	33	52	11	52	30	30	6	30	244
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	49	58	2	4	58	64	-	6	241
Semi-skilled and discretionary decision making (Levels 3-5)	28	75	-	1	25	41	-	1	171
Unskilled and defined decision making (Levels 1-2)	5	9	-	-	3	3	-	-	20
Total	116	198	14	60	119	142	6	43	698
Temporary employees	-	-	-	-	-	-	-	-	-
Grand total	116	198	14	60	119	142	6	43	698

A = African; C = Coloured; I = Indian; W = White.

Note: The above table refers to the total number of employees who have received training during the period under review, and not the number of training interventions attended by individuals. For further information on the actual training provided, refer to Table 3.13.2.

3.6 Signing of performance agreements by SMS members

Table 3.6.1: Signing of performance agreements by SMS Members, as at 31 May 2025

SMS Level	Number of active SMS posts per level	Number of SMS members per level	Number of signed performance agreements per level	Signed performance agreements as % of SMS members per level
HOD	1	1	1	100,0
Salary Level 15	5	1	1	100,0
Salary Level 14	12	9	9	100,0

SMS Level	Number of active SMS posts per level	Number of SMS members per level	Number of signed performance agreements per level	Signed performance agreements as % of SMS members per level
Salary Level 13	36	29	29	100,0
Total	54	40	40	100,0

Note: This table refers to employees who are appointed as SMS members only. Employees who are remunerated higher than a SL12, but who are not SMS members have been excluded. Furthermore, the table reflects post salary details and not the individual salary level of employees. The allocation of performance-related rewards (cash bonus) for SMS members is dealt with later in the report. Refer to Table 3.8.5 in this regard. The number of active posts refers to posts that can either be filled, in a recruitment process (funding approved) or vacant (linked to an acting appointment with remuneration or funded but not yet advertised).

Table 3.6.2: Reasons for not having concluded performance agreements with all SMS members on 31 May 2025

Reasons for not concluding performance agreements with all SMS
None

Table 3.6.3: Disciplinary steps taken against SMS Members for not having concluded Performance Agreements on 31 May 2025

Disciplinary steps taken against SMS members for not having concluded performance agreements
None required

3.7 Filling of SMS posts

Table 3.7.1: SMS posts information, as at 30 September 2025

SMS Level	Number of active SMS posts per level	Number of SMS posts filled per level	% of SMS posts filled per level	Number of SMS posts vacant per level	Per cent of SMS posts vacant per level
HOD	1	1	100,0	-	-
Salary Level 15	4	1	25,0	3	75,0
Salary Level 14	10	9	90,0	1	10,0
Salary Level 13	33	30	90,9	3	9,1
Total	48	41	85,4	7	14,6

Note: This table refers to employees who are appointed as Senior Management Service (SMS) members only. Employees who are remunerated higher than a SL12, but who are not SMS members have been excluded. The number of active posts refers to posts that can either be filled, in a recruitment process (funding approved) or vacant (linked to an acting appointment with remuneration or funded but not yet advertised).

Table 3.7.2: SMS posts information as at 31 March 2026

SMS Level	Number of active SMS posts per level	Number of SMS posts filled per level	% of SMS posts filled per level	Number of SMS posts vacant per level	Per cent of SMS posts vacant per level
HOD	1	1	100,0	-	-
Salary Level 15	4	1	25,0	3	75,0
Salary Level 14	11	9	81,8	2	18,2
Salary Level 13	35	31	88,6	4	11,4
Total	51	42	82,4	9	17,6

Note: This table refers to employees who are appointed as Senior Management Service (SMS) members only. Employees who are remunerated higher than a SL12, but who are not SMS members have been excluded. The number of active posts refers to posts that can either be filled, in a recruitment process (funding approved) or vacant (linked to an acting appointment with remuneration or funded but not yet advertised).

Table 3.7.3: Advertising and filling of SMS posts, 1 April 2025 to 31 March 2026

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 after becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
HOD	-	-	-
Salary Level 15	-	-	-
Salary Level 14	-	-	-
Salary Level 13	2	-	2
Total	2	-	2

Note: One (1) of the SMS posts filled was advertised in the previous financial year.

Table 3.7.4: Reasons for not having complied with the filling of active vacant SMS posts – Advertised within 6 months and filled within 12 months after becoming vacant

SMS Level	Reasons for non-compliance
HOD	N/A
Salary Level 15	N/A
Salary Level 14	N/A
Salary Level 13	N/A

3.8 Employee performance

The following tables note the number of staff by salary band (Table 3.8.1) and staff within critical occupations (Table 3.8.2) who received a notch progression as a result of performance management. (i.e. qualifying employees who scored between 3 and 4 in their performance ratings).

Table 3.8.1: Notch progressions by salary band, 1 April 2025 to 31 March 2026

Salary Band	Employees as at 31 March 2025	Progressions to another notch within a salary band	Notch progressions as a % of total employees within a salary band
Lower skilled (Levels 1-2)	85	53	62,4
Skilled (Levels 3-5)	752	470	62,5
Highly skilled production (Levels 6-8)	492	294	59,8
Highly skilled supervision (Levels 9-12)	441	268	60,8
Senior management (Levels 13-16)	41	26	63,4
Total	1 811	1 111	61,3

Note: Employees who do not qualify for notch progressions are not included.

Table 3.8.2: Notch progressions by critical occupation, 1 April 2025 to 31 March 2026

Critical occupations	Employees as at 31 March 2025	Progressions to another notch within a critical occupation	Notch progressions as a % of total employees within a critical occupation
Architect	45	25	55,6

Critical occupations	Employees as at 31 March 2025	Progressions to another notch within a critical occupation	Notch progressions as a % of total employees within a critical occupation
Architectural Technician	7	4	57,1
Architectural Technologist	14	5	35,7
Construction Project Manager	11	6	54,5
Engineer	57	23	40,4
Engineering Technician	25	13	52,0
Engineering Technologist	8	8	100,0
Environmental Officer	-	-	-
GISc Professional	1	-	-
GISc Technician	4	4	100,0
GISc Technologist	1	1	100,0
Quantity Surveyor	26	13	50,0
Survey Technician	5	3	60,0
Town and Regional Planner	7	2	28,6
Total	211	107	50,7

Note: Employees who do not qualify for notch progressions are not included.

In line with a WCG Provincial Top Management decision, approved by Cabinet, no performance rewards have been paid to employees since the 2019/20 financial year due to austerity measures implemented to address fiscal constraints. Subsequently, the DPSA issued a circular in line with the Incentive Policy Framework 2019, directing that 0.0 per cent of departmental budgets be allocated to performance rewards from the 2022/23 financial year onwards, reinforcing the suspension of such payments. Consequently, the tables in this section reflect "none" for performance rewards.

Despite the suspension of financial rewards, employee performance assessments have continued, with 71,9 per cent of employees rated as fully effective and 27,2 per cent as highly effective, while 0,8 per cent were partially effective and 0.1 per cent not effective for the 2024/25 performance cycle, which was finalised in the 2025/26 financial year, demonstrating sustained commitment to service delivery. The WCG is actively developing a policy for non-remunerative rewards to recognise employee contributions in a manner aligned with current fiscal realities, with implementation expected in future reporting periods.

Table 3.8.3: Performance rewards by race, gender, and disability, 1 April 2025 to 31 March 2026

Race and gender	Beneficiary profile			Cost	
	Number of beneficiaries	Total number of employees in group as at 31 March 2025	% of total within group	**Cost (R'000)**	Average cost per beneficiary (R)
None					

Table 3.8.4: Performance rewards (cash bonus), by salary bands for personnel below Senior Management Service level, 1 April 2025 to 31 March 2026

Salary Bands	Beneficiary profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2025	% of total within salary bands	Cost **(R'000)**	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
None						

Table 3.8.5: Performance rewards (cash bonus), by salary band, for Senior Management Service level, 1 April 2025 to 31 March 2026

Salary Bands	Beneficiary profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2025	% of total within salary bands	Cost **(R'000)**	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
None						

Table 3.8.6: Performance rewards (cash bonus) by critical occupation, 1 April 2025 to 31 March 2026

Critical occupation	Beneficiary profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2025	% of total within salary bands	Cost **(R'000)**	Average cost per beneficiary (R)	Cost as a % of total personnel expenditure
None						

3.9 Foreign workers

The tables below summarise the employment of foreign nationals in the DOI in terms of salary bands and by major occupation. The tables also summarise changes in the total number of foreign workers in each salary band and by each major occupation.

Table 3.9.1: Foreign workers by salary band, 1 April 2025 to 31 March 2026

Salary Band	1 April 2025		31 March 2026		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	-	-	-	-	-	-
Skilled (Levels 3-5)	-	-	-	-	-	-
Highly skilled production (Levels 6-8)	1	7,1	1	7,7	-	-
Highly skilled supervision (Levels 9-12)	13	92,9	12	92,3	-1	-7,7
Senior management (Levels 13-16)	-	-	-	-	-	-
Total	14	100,0	13	100,0	-1	-7,1

Note: The table above includes non- citizens with permanent residence in the Republic of South Africa.

Table 3.9.2: Foreign workers by major occupation, 1 April 2025 to 31 March 2026

Major occupation	1 April 2025		31 March 2026		Change	
	Number	% of total	Number	% of total	Number	% change
Chief Architect	3	21,4	3	23,1	-	-
Architect	3	21,4	3	23,1	-	-
Chief Works Inspector	1	7,1	1	7,7	-	-
Chief Engineer	1	7,1	1	7,7	-	-
Engineer	4	28,6	3	23,1	-1	-25,0
Chief Quantity Surveyor	1	7,1	1	7,7	-	-
Quantity Surveyor	1	7,1	-	-	-1	-100,0
Town and Regional Planner	-	-	1	7,7	1	100,0
Total	**14**	**100,0**	**13**	**100,0**	**-1**	**-7,1**

Note: The table above includes non-citizens with permanent residence in the Republic of South Africa.

3.10 Leave utilisation for the period 1 January 2025 to 31 December 2025

The following tables provide an indication of the use of sick leave (Table 3.10.1) and incapacity leave (Table 3.10.2). In both instances, the estimated cost of the leave is also provided. The total number of employees refer to all employees remunerated during the period under review.

Table 3.10.1: Sick leave, 1 January 2025 to 31 December 2025

Salary Band	Total days	% days with medical certification	Number of employees using sick leave	Total number of employees	% of total employees using sick leave	Average days per employee	Estimated cost **(R'000)**
Interns	195	65,6	42	53	79,2	5	101
Lower skilled (Levels 1-2)	804	89,7	71	81	87,7	11	446
Skilled (Levels 3-5)	8 389	84,0	678	776	87,4	12	6 055
Highly skilled production (Levels 6-8)	3 539	82,5	417	590	70,7	8	4 978
Highly skilled supervision (Levels 9-12)	1 970	76,9	317	524	60,5	6	4 617
Senior management (Levels 13-16)	76	67,1	27	44	61,4	3	280
Total	14 973	82,7	1 552	2 068	75,0	10	16 477

Note: The three-year sick leave cycle started on 1 January 2025 and end on 31 December 2027. The information in each case reflects the totals excluding incapacity leave taken by employees. For an indication of incapacity leave taken, refer to Table 3.10.2.

Table 3.10.2: Incapacity leave, 1 January 2025 to 31 December 2025

Salary Band	Total days	% days with medical certification	Number of employees using incapacity leave	Total number of employees	% of total employees using incapacity leave	Average days per employee	Estimated cost **(R'000)**
Interns	-	-	-	53	0,0	-	-

Salary Band	Total days	% days with medical certification	Number of employees using incapacity leave	Total number of employees	% of total employees using incapacity leave	Average days per employee	Estimated cost **(R'000)**
Lower skilled (Levels 1-2)	12	100,0	1	81	1,2	12	6
Skilled (Levels 3-5)	1 002	100,0	24	776	3,1	42	745
Highly skilled production (Levels 6-8)	659	100,0	11	590	1,9	60	894
Highly skilled supervision (Levels 9-12)	478	100,0	5	524	1,0	96	1 304
Senior management (Levels 13-16)	-	-	-	44	-	-	-
Total	2 151	100,0	41	2 068	2,0	52	2 949

Note: The leave dispensation as determined in the "Leave Determination", read with the applicable collective agreements, provides for normal sick leave of 36 working days in a sick leave cycle of three years. If an employee has exhausted his or her normal sick leave, the employer must conduct an investigation into the nature and extent of the employee's incapacity. Such investigations must be carried out in accordance with item 10(1) of Schedule 8 of the LRA. Incapacity leave is not an unlimited amount of additional sick leave days at an employee's disposal. Incapacity leave is additional sick leave granted conditionally at the employer's discretion, as provided for in the Leave Determination and Policy on Incapacity Leave and Ill-Health Retirement (PILIR).

Table 3.10.3 summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the Public Service Coordinating Bargaining Council (PSCBC) in 2000 requires management of annual leave to prevent high levels of accrued leave having to be paid at the time of termination of service.

Table 3.10.3: Annual leave, 1 January 2025 to 31 December 2025

Salary Band	Total days taken	Total number employees using annual leave	Average number of days taken per employee
Interns	605	51	12
Lower skilled (Levels 1-2)	1 096	74	15
Skilled (Levels 3-5)	15 816	740	21
Highly skilled production (Levels 6-8)	11 002	547	20
Highly skilled supervision (Levels 9-12)	9 222	497	19
Senior management (Levels 13-16)	807	42	19
Total	38 548	1 951	20

Table 3.10.4: Capped leave, 1 January 2025 to 31 December 2025

Salary Band	Total capped leave available as at 31 Dec 2024	Total days of capped leave taken	Number of employees using capped leave	Average number of days taken per employee	Number of employees with capped leave as at 31 Dec 2025	Total capped leave available as at 31 Dec 2025
Lower skilled (Levels 1-2)	-	-	-	-	-	-
Skilled (Levels 3-5)	1 693,67	496,42	14	35,46	42	1 097,04

Salary Band	Total capped leave available as at 31 Dec 2024	Total days of capped leave taken	Number of employees using capped leave	Average number of days taken per employee	Number of employees with capped leave as at 31 Dec 2025	Total capped leave available as at 31 Dec 2025
Highly skilled production (Levels 6-8)	1 193,01	96,53	7	13,79	43	1 196,69
Highly skilled supervision (Levels 9-12)	1 677,34	271,48	7	38,78	39	1 397,44
Senior management (Levels 13-16)	136,01	-	-	-	5	136,01
Total	4 700,03	864,43	28	30,87	129	3 827,18

Note: The movement in capped leave balances may not always reconcile directly to the total capped leave days taken during the year. This is because the year-end capped leave balance can also be affected by other factors, including employees who are promoted or transferred into the DOI and retain their capped leave credits, which then form part of the capped leave balance applicable to their new salary band and to the DOI as a whole. In addition, adjustments may arise as a result of capped leave audits or other verification processes, which may increase or decrease the balance reflected. Furthermore, capped leave is only paid out in cases of retirement, ill-health retirement or death. Capped leave forfeited as a result of resignation or dismissal is therefore not reflected as capped leave taken in the table above.

Table 3.10.5 summarises capped- and annual leave payments made to employees as a result of non-utilisation.

Table 3.10.5: Leave pay-outs, 1 April 2025 to 31 March 2026

Reason	Total Amount **(R'000)**	Number of incidents	Average payment per employee
Leave pay-outs due to non-utilisation of leave for the previous cycle	-	-	-
Capped leave pay-outs on termination of service	1 437	21	68 439
Current leave pay-outs on termination of service	2 480	88	28 183

3.11 Health promotion programmes, including HIV and AIDS

Table 3.11.1: Health promotion programmes, including HIV and AIDS, 1 April 2025 to 31 March 2026

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
The nature of the Department's work does not expose employees to increased risk of contracting HIV & AIDS. Despite the very low occupational risk, all employees have been targeted at all levels within the Department.	EHW Services are rendered to all employees in need and include the following: • 24/7/365 Telephone counselling; • Face to face counselling (4 session model); • Trauma and critical incident counselling; • Advocacy on HIV&AIDS awareness, including online services; and • Training, coaching and targeted Interventions as required.

Table 3.11.2: Details of health promotion including HIV and AIDS Programmes, 1 April 2025 to 31 March 2026

Question	Yes	No	Details, if yes
Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2016? If so, provide her/his name and position.	✓		Ms Letitia Isaacs, Director: Transversal People Capacity Enablement (Department of the Premier)
Does the department have a dedicated unit, or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	✓		The Department of the Premier provides a transversal service the eleven (11) provincial client departments, including the DOI. A designated EHW unit within the Directorate Transversal People Capacity Enablement and the Chief Directorate Organisation Development serves to promote the health and well-being of employees in the eleven (11) client departments. The unit consists of a Deputy Director, three (3) Assistant Directors, and two (2) EHW Practitioners. Budget: R3.7m

Has the department introduced an Employee Assistance or Health Promotion Programme for employees? If so, indicate the key elements/services of this Programme.	✓		The Department of the Premier has entered into a service level agreement with Lyra Wellbeing (external service provider) to render an EHW Service to eleven (11) provincial client departments. The services include counselling; trauma debriefing and awareness; managerial consultations; psycho-social development Interventions; wellbeing information, communication and education; group therapy and reasonable accommodation. The following targeted interventions were planned for the DOI and employees were invited to attend: Workload, Stress & Burnout: • Managing Multiple Demands: Tools for Coping with Workload • Stress and Burnout: Understanding Body, Brain & Behaviour • Cost of Living Crisis: Impact on Mental Health and Behaviour Change • Short Fuse: Anger and Mental Health • Forming Positive Habits: Healthy Mind & Lifestyle Mental Health Awareness & Literacy: • Mental Health and Sleep Health • Loneliness and Mental Health • Alcohol Abuse and Social Influences • Managing Lifestyle Diseases (HIV & Strokes) – Mental Health Impact • Mental Health Workshops (Regional & Provincial)

			Trauma, Crisis & Emotional Support: • Crisis Stop: Identifying Employees in Crisis (Managerial Capacitation) • Loss and Grief: Growing Around Grief • Trauma Management • Dealing with Unprocessed Trauma • Care-for-the-Carer (Debrief & Self-Care for Caregivers) Emotional Intelligence & Self-Awareness: • Building Emotional Intelligence and Self-Awareness • Managing Workplace Conflicts with Emotional Intelligence • Self-Awareness in Teams • Emotional Regulation (Including Anger Management) Conflict, Relationships & Psychological Safety: • Bullying, Harassment and Victimisation at Work (Leadership-Focused) • Managing Workplace Conflict • Healthy Boundaries: "This is Where I Start, and You End" • Compassionate Leadership: Inspiring High-Performing Teams • Supporting Someone with Suicidal Thoughts Youth, Gender & Identity-Sensitive Interventions: • Youth Webinar: Creating a Gen Z-Friendly Workplace • Women's Health: Hormones, Stress & Mental Wellbeing • Men's Hormone Health and Mental Wellbeing

			Mindfulness, Regulation & Therapeutic Practices: • Mindfulness (Webinars & Power Hours) • Breathing Techniques • Grounding Exercises • Visualisation • Yoga • Stretching & Desk Exercises • Art Therapy • Music & Dance Therapy • Rhythm for Healing • Laughter Therapy High-Value Managerial / Leadership Psychosocial Topics: • Crisis Identification & Referral • Compassionate Leadership • Managing Substance Abuse in the Workplace • Psychological Safety & Emotional Intelligence • Supporting Employees with Suicidal Ideation These interventions are based on the Mental Health Strategy, trends reflected in the quarterly reports and specific needs from the DOI. The targeted interventions for both employees and managers were aimed at personal development, promotion of healthy lifestyles and improving coping skills. This involved presentations, workshops, group discussions to create awareness and encourage employees to have a proactive approach to limit the impact of these problems in the workplace. Targeted Interventions were

Question	Yes	No	Details, if yes
			also implemented to equip managers with tools to engage employees in the workplace. Information sessions were also provided to inform employees of the EHW service and how to access the programme. Promotional material such as posters, tote bags, highlighters including prize winning water bottles were distributed to employees.
Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2016? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	✓		The Provincial EHW Steering Committee has been established with members nominated by each department. The Department is represented by Glenville Naidoo and Jandre Bakker.
Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	✓		The Transversal Management Framework for EHW programmes in the Western Cape Government is in effect and was adopted by the Co-ordinating Chamber of the PSCBC for the Western Cape Province in December 2016. In this regard, all employment policies make provision for fair practices, regardless of the HIV status of staff or applicants. Workplace practices are constantly monitored to ensure policy compliance and fairness. Under the EHW banner, four EHW Policies were approved which includes HIV & AIDS and TB Management that responds to the prevention of discrimination against employees affected and infected by HIV & AIDS and TB in the workplace. Further to this, the Department of Health and Wellness, that is the lead department for HIV & AIDS, has approved the Transversal HIV and AIDS/STI Workplace Policy and Programme that is applicable to all departments of the Western Government. The document is in line with the four pillars of the EHW Strategic Framework (2017-2026). During the reporting period, the transversal EHW policies including the HIV, AIDS and TB Management Policy have been audited by DPSA against the DPSA policies as well as the National Strategic Plan for HIV, TB and STIs (2022-2027) which ensures inclusivity and elimination of discrimination and stigma against employees with HIV.

Question	Yes	No	Details, if yes
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.	✓		The Provincial Strategic Plan on HIV & AIDS, STIs and TB 2022-2027 has been implemented to mainstream HIV and TB and its gender and rights-based dimensions into the core mandates to reduce HIV-related stigma. The aim is to: • Reduce HIV and TB discrimination in the workplace. This included campaigns against unfair discrimination and empowerment of employees. • Reduce unfair discrimination in access to services. This included ensuring that the Directorate Employee Relations, within the Department of the Premier, addresses complaints or grievances relating to unfair discrimination and provides training to employees. The DOI implemented several Wellness days during the 2025/2026 financial year. The four key wellness days were conducted in December 2025 and March 2026, and information material was distributed as follows: • Wellness screenings (blood pressure, glucose, cholesterol, TB, BMI); • HCT screenings; • Distributing posters and pamphlets; and • Condom distribution
Does the department encourage its employees to undergo HIV counselling and testing (HCT)? If so, list the results that you have you achieved.	✓		The DOI participated in four (4) key HCT and Wellness screening sessions. 124 Employees were screened for noncommunicable diseases and counselled for HIV, Tuberculosis and Sexually Transmitted Infections (STI's).
Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	✓		The EHW programme is monitored through Quarterly and Annual reporting and trend analysis can be derived through comparison of departmental utilisation and demographics i.e. age, gender, problem profiling, employee vs. manager utilisation, number of cases. Themes and trends also provide a picture of the risks and impact the EHW issues have on individual and the workplace

3.12 Labour relations

The following collective agreements were entered into with trade unions for the period under review.

Table 3.12.1: Collective agreements, 1 April 2025 to 31 March 2026

Subject Matter	Date
GPSSBC Resolution 1 of 2025: Agreement on the increase of levies	28/07/2025
GPSSBC Resolution 2 of 2025: Constitution of the GPSSBC	26/09/2025
GPSSBC Resolution 3 of 2025: Governance Rules for the Chambers of GPSSBC	26/09/2025

Table 3.12.2 summarises the outcome of disciplinary hearings conducted within the DOI for the period.

Table 3.12.2: Misconduct and disciplinary hearings finalised, 1 April 2025 to 31 March 2026

Outcomes of disciplinary hearings	Number of cases finalised	% of total
Suspension without pay and a final written warning	3	50,0
Desertion (Dismissal)	2	33,3
Dismissal	1	16,7
Total	6	100,0
Percentage of total employment		0,3

Note: Outcomes of disciplinary hearings refer to formal cases only.

Table 3.12.3: Types of misconduct addressed at disciplinary hearings, 1 April 2025 to 31 March 2026

Type of misconduct	Number	% of total
Absent from work without reason or permission	2	33,3
Contravenes any code of conduct for state	1	16,7
Harassment	1	16,7
Steals bribes or commits fraud	2	33,3
Total	6	100,0

Table 3.12.4: Grievances lodged, 1 April 2025 to 31 March 2026

Grievances lodged	Number	% of total
Number of grievances resolved	14	82,4
Number of grievances not resolved	3	17,6
Total number of grievances lodged	17	100,0

Note: Grievances lodged refer to cases that were finalised within the reporting period. Grievances not resolved refer to cases finalised, but where the outcome was not in favour of the aggrieved and found to be unsubstantiated.

Table 3.12.5: Disputes lodged with councils, 1 April 2025 to 31 March 2026

Disputes lodged with councils	Number	% of total
Number of disputes upheld	3	25,0

Number of disputes dismissed	9	75,0
Total number of disputes lodged	12	100,0

Note: Councils refer to the PSCBC and General Public Service Sector Bargaining Council. When a dispute is "upheld", it means that the Council rules in favour of the aggrieved. When a dispute is "dismissed", it means that the Council rules in favour of the Department.

Table 3.12.6: Strike actions, 1 April 2025 to 31 March 2026

Strike actions	Number
None	

Table 3.12.7: Precautionary suspensions, 1 April 2025 to 31 March 2026

Precautionary suspensions	Number
Number of people suspended	1
Number of people whose suspension exceeded 30 days	1
Average number of days suspended	104
Cost (R'000) of suspensions	171

Note: Precautionary suspensions refer to staff who were suspended with full pay, whilst the case was being investigated.

3.13 Skills development

This section highlights the efforts of the DOI with regard to skills development. Table 3.13.1 reflect the training needs as at the beginning of the period under review, and Table 3.13.2 the actual training provided.

Table 3.13.1: Training needs identified, 1 April 2025 to 31 March 2026

Occupational categories	Gender	Number of employees as at 1 April 2025	Training needs identified at start of reporting period			
			Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers (Salary Band 13 – 16)	Female	22	-	5	-	5
	Male	18	-	2	-	2
Professionals (Salary Band 9 – 12)	Female	187	-	196	-	196
	Male	280	-	193	-	193
Technicians and associate professionals (Salary Band 6 – 8)	Female	308	-	261	-	261
	Male	209	-	296	-	296
Clerks (Salary Band 3 – 5)	Female	202	-	310	-	310
	Male	519	-	1 211	-	1 211
Elementary occupations (Salary Band 1 – 2)	Female	40	-	50	-	50
	Male	29	-	55	-	55

Occupational categories	Gender	Number of employees as at 1 April 2025	Training needs identified at start of reporting period			
			Learnerships	Skills programmes and other short courses	Other forms of training	Total
Sub Total	Female	759	-	822	-	822
	Male	1 055	-	1 757	-	1 757
Total		1 814	-	2 579	-	2 579
Employees with disabilities	Female	13	-	11	-	11
	Male	19	-	26	-	26

Note: The above table identifies the training needs at the start of the reporting period as per the Department's Workplace Skills Plan.

Table 3.13.2: Training provided, 1 April 2025 to 31 March 2026

Occupational categories	Gender	Number of employees as at 31 March 2026	Training provided during the reporting period			
			Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers (Salary Band 13 – 16)	Female	23	-	20	-	20
	Male	19	-	11	-	11
Professionals (Salary Band 9 – 12)	Female	203	-	154	-	154
	Male	291	-	227	-	227
Technicians and associate professionals (Salary Band 6 – 8)	Female	317	-	230	-	230
	Male	227	-	174	-	174
Clerks (Salary Band 3 – 5)	Female	207	-	119	-	119
	Male	543	-	137	-	137
Elementary occupations (Salary Band 1 – 2)	Female	42	-	9	-	9
	Male	37	-	16	-	16
Sub Total	Female	792	-	532	-	532
	Male	1 117	-	565	-	565
Total		1 909	-	1 097	-	1 097
Employees with disabilities	Female	11	-	5	-	5
	Male	20	-	3	-	3

Note: The above table identifies the training courses attended by individuals during the period under review.

3.14 Injury on duty

Table 3.14.1 provides basic information on injuries sustained whilst being on official duty.

Table 3.14.1: Injury on duty, 1 April 2025 to 31 March 2026

Nature of injury on duty	Number	% of total
Required basic medical attention only	5	12,8
Temporary disablement	34	87,2
Permanent disablement	-	-
Fatal	-	-
Total	39	100,0
Percentage of total employment		1,9

3.15 Utilisation of consultants

The following tables provide information on the utilisation of consultants in the DOI.

In terms of the Public Service Regulations "consultant" means a natural or juristic person or a partnership who or which provides in terms of a specific contract on an ad hoc basis any of the following professional services to a department against remuneration received from any source:

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

Table 3.15.1: Report on consultant appointments using appropriated funds for the period 1 April 2025 and 31 March 2026

Programme	Directorate	Contract number	Project title	Total number of consultants that worked on the project	BB-BEE level	Duration	Contract value In rands
Programme 1	Strategy, Planning and Coordination	L014/25	REAPPOINTMENT OF LEGAL, TECHNICAL AND PROJECT ADVISORY SUPPORT SERVICES TO MANAGE THE LAND AVAILABILITY AND DEVELOPMENT AGREEMENT WITH CONCOR, THE DEVELOPER	3	-	36 months	250 000,00
Programme 3	Roads	L038/25	APPOINTMENT OF A REPRESENTATIVE (AS PER SECTION 189 (1) OF THE LABOUR RELATIONS ACT TO NEGOTIATE THE TRANSFER OF THE AGENCY FUNCTION WITH THE DISTRICT MUNICIPALITIES AND THEIR EMPLOYEES VIA THEIR TRADE UNIONS	1	4	Until completion	As per contract and service fees
Total number			2	4	-	-	250 000,00

Table 3.15.2: Consultant appointments using donor funds for the period 1 April 2025 and 31 March 2026

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



PART E

PFMA compliance report

Part E: PFMA Compliance Report

1 Irregular, fruitless and wasteful, unauthorised expenditure and material losses

1.1 Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2025/26	2024/25
	R'000	R'000
Opening balance	58 403	71 221
Adjustment to opening balance	-	-
Opening balance as restated	528 403	77 240
Add: Irregular expenditure confirmed	-	1 147
Less: Irregular expenditure condoned	-57 289	-19 984
Less: Irregular expenditure not condoned and removed	-1 114	-
Less: Irregular expenditure recoverable[1]	-	-
Less: Irregular expenditure not recovered and written off	-	-
Closing balance	0	58 403

Reconciling notes

Description	2025/26	2024/25[2]
	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	-	1 147
Total	0	1 147

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

Description[3]	2025/2026	2024/25
	R'000	R'000
Irregular expenditure under assessment	100 210	-
Irregular expenditure under determination	-	1 114
Irregular expenditure under investigation	-	-
Total	100 210	1 114

[1] Transfer to receivables
[2] Record amounts in the year in which it was incurred.
[3] Group similar items

c) Details of irregular expenditure condoned

Description	2025/26	2024/25
	R'000	R'000
Irregular expenditure condoned	57 289	19 984
Total	57 289	19 984

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

Description	2025/26	2024/25
	R'000	R'000
Irregular expenditure NOT condoned and removed	1 114	-
Total	1 114	-

e) Details of irregular expenditure recoverable

Description	2025/26	2024/25
	R'000	R'000
Irregular expenditure recoverable	-	-
Total	-	-

f) Details of irregular expenditure written off (irrecoverable)

Description	2025/26	2024/25
	R'000	R'000
Irregular expenditure written off	-	-
Total	-	-

Additional disclosure relating to inter-institutional Arrangements

g) Details of irregular expenditure cases where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance4)

Description	**2025/2026[5]**	**2024/25**
	R'000	**R'000**
Total		

[4] 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
[5] Amounts of irregular expenditure related to the current year must be disclosed in the annual financial statements.

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

Disciplinary steps taken – 2025/26	Disciplinary steps taken - 2024/25
	Progressive disciplinary action (1 case referred to Employee Relations)
Cautionary letters issued to implicated officials (1 case confirmed in 2025/26 relating to prior year)	Cautionary letters issued to implicated officials (1 case)
Persal flagged should employee re-enter WCG (1 case confirmed in 2025/26 relating to 2019/20)	
	No official was found to be responsible (4 cases)

1.2 Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2025/26	2024/25
	R'000	R'000
Opening balance	-	-
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Fruitless and wasteful expenditure confirmed	-	-
Less: Fruitless and wasteful expenditure recoverable[6]	-	-
Less: Fruitless and wasteful expenditure not recoverable and written off	-	-
Closing balance	-	-

Reconciling notes

Description	2025/26	2024/25[7]
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	-	-
Fruitless and wasteful expenditure that relates to 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[8]	2025/26	2024/25
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	-
Total	-	-

[6] Transfers to receivables
[7] Record amounts in the year in which it was incurred
[8] Group similar items.

c) Details of fruitless and wasteful expenditure recoverable

Description	2025/26	2024/25
	R'000	R'000
Fruitless and wasteful expenditure recoverable	-	-
Total	-	-

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

Description	2025/26	2024/25
	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
None

1.3 Unauthorised expenditure

a) Reconciliation of unauthorised expenditure

Description	2025/26	2024/25
	R'000	R'000
Opening balance	-	-
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: unauthorised expenditure confirmed	-	-
Less: unauthorised expenditure approved with funding	-	-
Less: unauthorised expenditure approved without funding	-	-
Less: unauthorised expenditure recoverable9	-	-
Less: unauthorised not recoverable and written off10	-	-
Closing balance	-	-

Reconciling notes

Description	2025/26	2024/25[11]
	R'000	R'000
Unauthorised expenditure that was under assessment	-	-
Unauthorised expenditure that relates to 2023/24 and identified in 2024/25	-	-
Unauthorised expenditure for the current year	-	-
Total	-	-

[9] Transfer to receivables
[10] This amount may only be written off against available savings
[11] Record amounts in the year in which it occurred

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

Description[12]	2025/26	2024/25
	R'000	R'000
Unauthorised expenditure under assessment	-	-
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
Total	-	-

1.4 Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) &(iii))[13]

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

Material losses through criminal conduct	2025/26	2024/25
	R'000	R'000
Theft	-	-
Other material losses	-	-
Less: Recoverable	-	-
Less: Not recoverable and written off	-	-
Total	-	-

b) Details of other material losses

Nature of other material losses	2025/26	2024/25
	R'000	R'000
(Group major categories, but list material items)	-	-
Total	-	-

c) Other material losses recoverable

Nature of other material losses	2025/26	2024/25
	R'000	R'000
(Group major categories, but list material items)	-	-
Total	-	-

d) Other material losses written off

Nature of losses	2025/26	2024/25
	R'000	R'000
(Group major categories, but list material items)	-	-
Damages/Losses to GG Vehicles (19 cases)	178	71
Damages/Losses to Road construction and Maintenance Plant (120 cases)	1 405	1264
Damages to rental vehicles (0 case)	-	-
Other (2 cases)	1	1
Damage to property (2 cases)	55	10

[12] Group similar items.
[13] Information related to material losses must be disclosed in the Annual Financial Statements.

Nature of losses	2025/26	2024/25
	R'000	R'000
Damages to private vehicles (4 cases)	278	45
Debt (1 case)	30 721	-
Total	32 638	1 391

2 Information on late and/ or non-payment of suppliers

The Accounting Officer maintained systems, processes and procedures that will enable the tracking of each invoice received by their institution from receipt up to a point of payment. The Accounting Officers recorded consolidated information[14] at the end of the financial year on late payment of suppliers for the year under review in annual reports of DOI as indicated below:

Description	No. of invoices	Consolidated value
		R'000
Valid invoices received	35 052	9 775 388
Invoices paid within 30 days or agreed period	34 668	9 611 747
Invoices paid after 30 days or agreed period	384	163 641
Invoices older than 30 days or agreed period (unpaid and without dispute)	-	-
Invoices older than 30 days or agreed period (unpaid and in dispute)	-	-

Increase in late payments are mainly due to BAS system errors resulting from the conversion of BAS version 5 to BAS version 6

Ac[14] A register of information relating to late or non-payments of suppliers may be kept for regular reporting to the accounting officer for purposes of consolidation at the end of each financial year.

3 Supply Chain Management

3.1 Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract Number	Value of contract R'000
Appointment of a contractor for the completion of constructing the Panorama Primary School located in Vredenburg	ATUBA CONSTRUCTION	Limited bid	L070/23	87 723
Appointment of a contractor for emergency flood damage road repair works within the Cape Winelands (C1270.06) District Municipal area: Franschhoek Pass (45)	ROADMAC SURFACING CAPE PTY LTD	LIMITED BID	L119/23	148 134
Appoint lead construction consultants per district to manage and subcontract built-environment services for human settlements project implementation at metro and municipal level	LUKHOZI CONSULTING ENGINEERS (PTY) LTD; GIBB (PTY) LTD; IX ENGINEERS INFRASTRUCTURE EXCELLENCE; ROYAL HASKONING DHV	Limited bid	L166/23	As per contract and service fees
Appointment of service providers for lift maintenance and repairs across all regions within the Western Cape Province	SCHINDLER LIFTS (SA) (PTY) LTD _OTIS (PTY) LTD	Limited bid	L053/24	5 255
Interim appointment of occupational health and safety officers/agents for a period of 6 months to enable continuation of construction projects within the DOI	COETZEE CHSA (PTY) LTD; CAIRNMEAD INDUSTRIAL CONSULTANTS (PTY) LTD (FORMERLY EPPEN-BURGER & ASSOCIATES); Q SAFETY (PTY) LTD; SIYAKHATALA SAFETY CC; PEPPER WHITE PROPERTIES CC T/A LHSE CONSULTANCY CC; POLC SAFETY ADVISOR (PTY) LTD; NCC ENVIRONMENTAL SERVICES (PTY) LTD	Limited bid	L064/24	As per contract and service fees

Project description	Name of supplier	Type of procurement by other means	Contract Number	Value of contract R'000
Appointment of contractor for early pre-construction site preparation works to the Ithemba Housing Project Site	POWER CONSTRUCTION (PTY) LTD.	Limited bid	L065/24	81 829
Appointment of a housing implementing contractor to deliver five housing projects within the Cape Agulhas Municipality	ASLA CONSTRUCTION (PTY) LTD	Limited bid	L066/24	92 365
Appointment of a contractor for the repairs of structural defects to bridge no. B5796 over the R300 western extension (TR81/1 at KM9.76), ensuring access and pedestrian safety for the community of Colorado Park, Mitchell's Plain	AMANDLA CONSTRUCTION CC	Limited bid	L068/24	3 328
Appointment of a professional land surveyor to conduct subdivision surveys for portions of land expropriated/acquired for the reseal and rehabilitation of main road 269 (Hemel-en-Aarde) and the upgrading of drainage structures on divisional road 1257 near Tesselaarsdal	VAN DYK LAND SURVEYORS AND ASSOCIATES	Limited bid	L001/25	238
Appointment of accredited service provider to provide plumbing training, support and trade testing to 23 plumbing apprentices in the construction industry	TJEKA TRAINING MATTERS	Limited bid	L002/25	916
Procurement to attend the 16th Annual Smart Procurement World Indaba in Western Cape at ATKV Goudini Spa	COMMERCE EDGE SOUTH AFRICA (PTY) LTD	Limited bid	L003/25	1 587

Project description	Name of supplier	Type of procurement by other means	Contract Number	Value of contract R'000
Reappointment of service provider for the supply and service of portable chemical toilets to Welgemeend NGK Primary School	BIDVEST PRESTIGE	Limited bid	L005/25	220
Appointment of an estate manager for a period of 6 months to render various estates management services in accordance with the Government Immovable Asset Management Act 19 of 2007	MUSTER PROPERTY SERVICE (PTY) LTD	Limited bid	L006/25	7 000
Procurement to attend the Enlit Africa Conference at the Cape Town International Convention Centre	VUKA GROUP	Limited bid	L007/25	128
Interim appointment of approved asbestos inspections agents (AAIA) for a period of 6 months to enable continuation of construction projects	CSE CONSULTANTS (PTY) LTD; _EARTH AND OCCUPATIONAL HEALTH SCIENCES CC; INDUSTRICON OCCUPATIONAL HYGIENE AND RISK ASSESSMENT CONSULTANTS CC	Limited bid	L010/25	As per contract and service fees
Procurement of waterfree cartridges and high-performance key valves to be utilised within the DOI's Head Office	THE GOOD EARTH TRADING ENTERPRISE	Limited bid	L011/25	31
Procurement of Rubicon software licenses to include maintenance and subscription packages	RUBICON SOLUTIONS	Limited bid	L012/25	183
Procurement of Rubicon toolbox training course	RUBICON SOLUTIONS	Limited bid	L013/25	395
Reappointment of legal, technical and project advisory support services to manage the land availability and development agreement with Concor, the developer	CAST STONE MOULDINGS CC T/A MUNSTONE; ARG DESIGN; VICTORIA JOHNSON & ASSOCIATES	Limited bid	L014/25	250

Project description	Name of supplier	Type of procurement by other means	Contract Number	Value of contract R'000
Procurement of software for the Struman Bridge/structure Management System	CSIR	Limited bid	L016/25	1 144
Reappointment of professional service provider as the lead electrical consultant for the bulk and internal works on the Vlakkeland housing project, administered by Branch Human Settlements	NEIL LYNERS AND ASSOCIATES PTY LTD	Limited bid	L017/25	5 420
Procurement to attend the Women in Government Conference, 2025	SPECTACULAR TRAINING AND CONFERENCE	Limited bid	L018/25	142
Procurement to attend the 18th Annual Association of Certified Fraud Examiners (ACFE) conference	ASSOCIATION OF CERTIFIED FRAUD EXAMINERS SOUTH AFRICA	Limited bid	L019/25	342
Appointment of contractor for specialist piling and structural steelwork to correct structural defects and secure the foundations of the school hall at De Villiers Graaff Primary School, Villiersdorp, Overberg, Western Cape	FAIRBROTHER GEOTECHNICAL ENGINEERING	Limited bid	L022/25	7 739
Appointment of contractors from the expired F012/20 and F014/20 framework contracts as an interim measure to enable multi-disciplinary day-to-day maintenance and emergency maintenance across all regions within the Western Cape Province	VARIOUS SUPPLIERS	Limited bid	L025/25	As per contract and service fees
Appointment of a contractor to perform maintenance and repair works along provincial proclaimed roads: TR00901, TR00201, TR01101, and TR08101	AMANDLA GFC CONSTRUCTION; H & I CONSTRUCTION	Limited bid	L026/25	4 281

Project description	Name of supplier	Type of procurement by other means	Contract Number	Value of contract R'000
Appointment of a contractor for emergency flood damage road repair works within the Overberg (C1317 and C1318), Cape Winelands (C1319 and C1320) and Garden Route (C1321 and C1322) District Municipal areas	AMANDLA GFC CONSTRUCTION CC	Limited bid	L033/25	52 783
Procurement of additional security services for the safeguarding of yellow fleet machines, vehicles and premises during the festive season period	KUNYE SECURITY	Limited bid	L034/25	36
Appointment of a contractor for additional scope of works to gutters and the roof of Athlone Pre- primary School	ABAPHANSI TRADING 12	Limited bid	L036/25	65
Appointment of professional service provider to conduct a lidar survey of river boundaries at farm Sandkraal; process data & re-submit subdivisional diagrams and disbursement to the surveyor general for approval and registration	THENGU SURVEYS	Limited bid	L037/25	115
Appointment of a representative (as per section 189 (1) of the Labour Relations Act to negotiate the transfer of the agency function with the district municipalities and their employees via their trade unions	JOHN MACROBERT ATTORNEYS	Limited bid	L038/25	As per contract and service fees
Procurement of venue for official launch of the department's 'Roads4u app'	TRAVEL WITH FLAIR CAPE TOWN	Limited bid	L039/25	15
Procurement of specialized engineering software: 'Autoturn'	TECNOCAD CIVIL ENGINEERING SOFTWARE	Limited bid	L040/25	38
Appointment of a contractor for emergency flood damage road repair works within the Garden Route (C1157.02) District Municipal	BOPCONS-UMZALI JV	LIMITED BID	L044/25	61 041

Project description	Name of supplier	Type of procurement by other means	Contract Number	Value of contract R'000
area: MR355 (Seven Passes), DR1602, DR1633, DR1639 and DR1791				
Total				562 743

3.2 Contract variations and expansions

Description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value R'000	Value of previous contract expansion/s or variation/s (if applicable) R'000	Value of current contract expansion or variation R'000
n/a						
Total						

Note: No variations and expansions for the year under review



PART F

Financial information

Part F: Financial Information

Report of the auditor-general to the Western Cape Provincial Parliament on vote no. 10: Western Cape Department of Infrastructure

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Western Cape Department of Infrastructure (the department) set out on pages 261 to 311 which comprise the appropriation statement, statement of financial position as at 31 March 2026, 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 as at 31 March 2026 and its financial performance and cash flows for the year then ended, in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 2 of 2025 (Dora).

Basis for opinion

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

Emphasis of matters

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

Uncertainty relating to future outcome of claims against the department

7. With reference to note 17.1 to the financial statements, the department is

the defendant in various ongoing litigation and claims. The outcome of these cases cannot presently be determined and no provision for any liability that may result has been made in the financial statements.

Non-adjusting events after the reporting date

8. I draw attention to note 28 to the financial statements, which deals with non-adjusting events after the reporting date. As disclosed therein, a disaster was declared in May 2026, resulting in damage to multiple infrastructure assets, the full impact of which is still being assessed.

Restatement of corresponding figures

9. As disclosed in note 33 to the financial statements, the corresponding figures for 31 March 2025 were restated as a result of errors in the financial statements of the department at, and for the year ended, 31 March 2026.

Other matter

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

Unaudited supplementary schedule

11. The supplementary information set out on pages 312 to 327 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 thereon.

Responsibilities of the accounting officer for the financial statements

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

13. 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

14. 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.

15. 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 on page 313 forms part of my auditor's report.

Report on the audit of the annual performance report

16. 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.

17. I selected the following programmes presented in the annual performance report for the year ended 31 March 2026 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
Programme 2: Public Works Infrastructure	80 -101	To provide balanced provincial government building infrastructure that promotes integration, accessibility, sustainability, equity, environmental sensitivity, economic growth, and social empowerment
Programme 3: Transport Infrastructure	102 - 118	To deliver and maintain transport infrastructure that is sustainable, integrated, and environmentally sensitive, that supports and facilitates social empowerment and economic growth, and that promotes accessibility and the safe, affordable movement of people, goods and services
Programme 4: Human Settlements	119 - 138	To promote sustainable integrated human settlement development in the Western Cape.

18. 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.

19. 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.

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

21. I did not identify any material findings on the reported performance information for the selected programmes:
    - Programme 2: Public works infrastructure;
    - Programme 3: Transport infrastructure; and
    - Programme 4: Human settlements

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.
24. The tables that follow provide information on the achievement of planned targets and list 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 82 to 101, 107 to 118, and 122 to 138

Programme 2: Public works infrastructure

Targets achieved: 83%
Budget spent: 100%

Key indicator not achieved	Planned target	Reported achievement
Number of new construction projects completed: education infrastructure	3	2
Number of new construction projects completed: general infrastructure	7	4

Programme 3: Transport infrastructure

Targets achieved: 64%
Budget spent: 96%

Key indicator not achieved	Planned target	Reported achievement
Number of kilometres of gravel roads upgraded to surfaced roads	25,35	22,7
Number of square metres of surface roads rehabilitate	364 702	272 816
Number of square metres of blacktop patching	30 000	26 605,1

Programme 4: Human settlements

Targets achieved: 50%
Budget spent 99%

Key indicator not achieved	Planned target	Reported achievement
Number of housing units completed	4 001	3 411
Number of service sites completed	2 255	1 358
Number of informal settlements completed in phase 1	3	0
Number of informal settlements completed in phase 2	5	4

Report on compliance with legislation

25. 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.

26. 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.

27. 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.

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

Other information in the annual report

29. 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.

30. 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.

31. 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.

32. The other information I obtained prior to the date of this auditor's report was not complete. The outstanding other information is expected to be made available to us after 31 July 2026. When I do receive and read the outstanding other information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

33. 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.

34. I did not identify any significant deficiencies in internal control.

Auditor - General

Cape Town

31 July 2026

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 International Standards on Auditing (ISA), 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 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 the 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	Sections, paragraphs or regulations
Public Finance Management Act 1 of 1999	Sections 1; 38(1)(b); 38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(f); 38(1)(h)(iii); 38(1)U); 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	Regulations 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1; 6.3.1(a); 6.3.1(b);6.3.1(c); 6.3.1(d); 6.4.1(b); 7.2.1; 8.1.1 8.2.1; 8.2.3; 8.4.1; 9.1.1; 9.1.4; 10.1.1(a); 10.1.2; 11.4.1; 11.4.2; 11.5.1; 12.5.1; 15.10.1.2(c); 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(b); 16A6.3(c); 16A 6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A7.1; 16A7.3; 16A7.6; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A 9.1(d); 16A 9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii); 17.1.1; 18.2
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7AS)
Division of Revenue Act 2 of 2025	Section 11(6)(a); 12(5); 16(1); 16(3); 16(3)(a)(i); 16(3)(a)(ii)(bb)
National Treasury Supply Chain Management (SCM) Instruction No. 4A of 2016/17	Paragraph 6
National Treasury (SCM)Instruction No. 3 of 2021/22	Paragraphs 4.1; 4.2(b); 4.3; 4.4(a); 4.17; 7.2; 7.6
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	Sections 1; 2.1(a); 2.1(b); 2.1(f)

Legislation	Sections, paragraphs or regulations
Preferential Procurement Policy Framework Act 5 of 2000	Section 1,2.1(a); 2.1(b); 2.1(f)
Preferential Procurement Regulations, 2017	Regulations 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; 11.22
Preferential Procurement Regulation, 2022	Regulations 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
State Information Technology Agency Act 88 of 1998	Section 7(3)
Public Service Regulations, 2016	Regulations 18(1); 18(2); 25(1)(e)(i); 25(1)(e)(iii)

Annual Financial Statements for the year ended 31 March 2026

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WESTERN CAPE GOVERNMENT
INFRASTRUCTURE
VOTE 10
APPROPRIATION STATEMENT
for the year ended 31 March 2026

Appropriation per programme

	2025/26							2024/25	
	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	381 663	-	(13 673)	367 990	365 189	2 801	99.2%	335 160	333 299
2. Public Works Infrastructure	2 619 877	-	16 183	2 636 060	2 634 742	1 318	100.0%	2 386 648	2 386 648
3. Transport Infrastructure	5 407 893	-	(11 085)	5 396 808	5 201 747	195 061	96.4%	5 678 832	5 098 066
4. Human Settlements	2 439 092	-	8 494	2 447 586	2 435 558	12 028	99.5%	2 316 092	2 010 358
5. Community Based Programmes/EPWP	79 521	-	81	79 602	79 602	-	100.0%	75 004	75 004
Total	10 928 046	-	-	10 928 046	10 716 838	211 208	98.1%	10 791 736	9 903 375

	2025/26		2024/25	
	Final Budget	Actual Expenditure	Final Budget	Actual Expenditure
	R'000	**R'000**	**R'000**	**R'000**
TOTAL (brought forward)				
Reconciliation with statement of financial performance				
ADD	217 915			
Departmental receipts			131 497	
Actual amounts per statement of financial performance (total revenue)	11 145 961		10 923 233	
Actual amounts per statement of financial performance (total expenditure)		10 716 838		9 903 375

WESTERN CAPE GOVERNMENT
INFRASTRUCTURE
VOTE 10
APPROPRIATION STATEMENT
for the year ended 31 March 2026

Appropriation per economic classification

	2025/26							2024/25	
	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	3 854 445	(148 798)	25	3 705 672	3 700 556	5 116	99.9%	4 059 707	3 494 542
Compensation of employees	1 012 562	13 025	899	1 026 486	1 026 486	-	100.0%	936 985	936 985
Goods and services	2 841 883	(161 823)	(874)	2 679 186	2 674 070	5 116	99.8%	3 122 722	2 557 557
Transfers and subsidies	2 912 695	14 433	(899)	2 926 229	2 910 388	15 841	99.5%	2 836 695	2 528 499
Provinces and municipalities	859 900	6 111	-	866 011	850 194	15 817	98.2%	874 648	833 838
Departmental agencies and accounts	-	-	-	-	-	-	-	44	44
Public corporations and private enterprises	91	(1)	-	90	66	24	73.3%	-	-
Households	2 052 704	8 323	(899)	2 060 128	2 060 128	-	100.0%	1 962 003	1 694 617
Payments for capital assets	4 130 185	132 101	874	4 263 160	4 072 909	190 251	95.5%	3 893 736	3 878 736
Buildings and other fixed structures	3 913 286	(18 406)	(245)	3 894 635	3 704 384	190 251	95.1%	3 713 006	3 698 006
Machinery and equipment	116 862	60 174	245	177 281	177 281	-	100.0%	113 231	113 231
Land and sub-soil assets	42 000	(42 000)	-	-	-	-	-	734	734
Software and other Intangible assets	58 037	132 333	874	191 244	191 244	-	100.0%	66 765	66 765
Payments for financial assets	30 721	2 264	-	32 985	32 985	-	100.0%	1 598	1 598
Total	10 928 046	-	-	10 928 046	10 716 838	211 208	98.1%	10 791 736	9 903 375

WESTERN CAPE GOVERNMENT
INFRASTRUCTURE
VOTE 10
APPROPRIATION STATEMENT
for the year ended 31 March 2026

Programme 1: Administration

	2025/26							2024/25	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Office of the MEC	9 004	706	(173)	9 537	9 537	-	100.0%	9 306	9 306
2. Management of the Department	5 211	67	(335)	4 943	4 942	1	100.0%	3 780	3 780
3. Corporate Support	239 671	(695)	(8 929)	230 047	230 047	-	100.0%	222 777	222 777
4. Departmental Strategy	127 777	(78)	(4 236)	123 463	120 663	2 800	97.7%	99 297	97 436
Total for sub programmes	381 663	-	(13 673)	367 990	365 189	2 801	99.2%	335 160	333 299
Economic classification									
Current payments	351 899	(6 593)	(13 785)	331 521	328 722	2 799	99.2%	285 182	283 321
Compensation of employees	205 538	-	(9 342)	196 196	196 196	-	100.0%	172 913	172 913
Goods and services	146 361	(6 593)	(4 443)	135 325	132 526	2 799	97.9%	112 269	110 408
Transfers and subsidies	16 687	1 421	112	18 220	18 218	2	100.0%	19 029	19 029
Departmental agencies and accounts	-	-	-	-	-	-	-	22	22
Public corporations and private enterprises	21	-	-	21	19	2	90.5%	-	-
Households	16 666	1 421	112	18 199	18 199	-	100.0%	19 007	19 007
Payments for capital assets	13 077	4 715	-	17 792	17 792	-	100.0%	30 715	30 715
Machinery and equipment	8 040	1 472	-	9 512	9 512	-	100.0%	9 043	9 043
Software and other Intangible assets	5 037	3 243	-	8 280	8 280	-	100.0%	21 672	21 672
Payments for financial assets	-	457	-	457	457	-	100.0%	234	234
Total	381 663	-	(13 673)	367 990	365 189	2 801	99.2%	335 160	333 299

WESTERN CAPE GOVERNMENT
INFRASTRUCTURE
VOTE 10
APPROPRIATION STATEMENT
for the year ended 31 March 2026

Programme 2: Public Works Infrastructure

	2025/26							2024/25	
	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. Programme Support	497 111	6 346	16 428	519 885	519 882	3	100.0%	418 589	418 589
2. Planning	94 004	3 125	-	97 129	97 129	-	100.0%	80 190	80 190
3. Construction	258 073	(4 643)	(245)	253 185	251 870	1 315	99.5%	197 177	197 177
4. Maintenance	293 162	(4 937)	-	288 225	288 225	-	100.0%	257 958	257 958
5. Immovable Asset Management	1 244 736	2 470	-	1 247 206	1 247 206	-	100.0%	1 212 889	1 212 889
6. Facility Operations	232 791	(2 361)	-	230 430	230 430	-	100.0%	219 845	219 845
Total for sub programmes	2 619 877	-	16 183	2 636 060	2 634 742	1 318	100.0%	2 386 648	2 386 648
Economic classification									
Current payments	1 651 950	(97 727)	16 136	1 570 359	1 570 359	-	100.0%	1 484 230	1 484 230
Compensation of employees	282 509	13 025	16 136	311 670	311 670	-	100.0%	278 464	278 464
Goods and services	1 369 441	(110 752)	-	1 258 689	1 258 689	-	100.0%	1 205 766	1 205 766
Transfers and subsidies	704 926	8 009	292	713 227	713 224	3	100.0%	694 849	694 849
Provinces and municipalities	702 416	8 009	-	710 425	710 425	-	100.0%	693 094	693 094
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	3	-	-	3	-	3	-	-	-
Households	2 507	-	292	2 799	2 799	-	100.0%	1 755	1 755
Payments for capital assets	263 001	89 479	(245)	352 235	350 920	1 315	99.6%	207 495	207 495
Buildings and other fixed structures	254 444	(6 797)	(245)	247 402	246 087	1 315	99.5%	197 472	197 472
Machinery and equipment	7 557	1 909	-	9 466	9 466	-	100.0%	8 443	8 443
Land and sub-soil assets	-	-	-	-	-	-	-	734	734
Software and other Intangible assets	1 000	94 367	-	95 367	95 367	-	100.0%	846	846
Payments for financial assets	-	239	-	239	239	-	100.0%	74	74
Total	2 619 877	-	16 183	2 636 060	2 634 742	1 318	100.0%	2 386 648	2 386 648

WESTERN CAPE GOVERNMENT
INFRASTRUCTURE
VOTE 10
APPROPRIATION STATEMENT
for the year ended 31 March 2026

Programme 3: Transport Infrastructure

	2025/26							2024/25	
	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. Programme Support Infrastructure	190 192	49 363	(5 173)	234 382	234 363	19	100.0%	177 309	177 309
2. Infrastructure Planning	33 566	(9 247)	(1 237)	23 082	23 082	-	100.0%	15 229	15 229
3. Infrastructure Design	206 811	(2 155)	-	204 656	204 656	-	100.0%	144 488	144 488
4. Construction	1 824 604	(26 574)	(200)	1 797 830	1 794 681	3 149	99.8%	2 090 995	2 079 321
5. Maintenance	3 152 720	(11 387)	(4 475)	3 136 858	2 944 965	191 893	93.9%	3 250 811	2 681 719
Total for sub programmes	5 407 893	-	(11 085)	5 396 808	5 201 747	195 061	96.4%	5 678 832	5 098 066
Economic Classification									
Current payments	1 494 153	(32 559)	(9 503)	1 452 091	1 449 777	2 314	99.8%	1 970 580	1 423 811
Compensation of employees	320 038	-	(6 300)	313 738	313 738	-	100.0%	291 157	291 157
Goods and services	1 174 115	(32 559)	(3 203)	1 138 353	1 136 039	2 314	99.8%	1 679 423	1 132 654
Transfers and subsidies	65 540	(2 199)	(1 582)	61 759	57 948	3 811	93.8%	57 333	38 336
Provinces and municipalities	60 166	(2 199)	-	57 967	54 175	3 792	93.5%	54 460	35 463
Departmental agencies and accounts	-	-	-	-	-	-	-	22	22
Public corporations and private enterprises	66	-	-	66	47	19	71.2%	-	-
Households	5 308	-	(1 582)	3 726	3 726	-	100.0%	2 851	2 851
Payments for capital assets	3 848 200	33 313	-	3 881 513	3 692 577	188 936	95.1%	3 649 645	3 634 645
Buildings and other fixed structures	3 658 842	(11 609)	-	3 647 233	3 458 297	188 936	94.8%	3 515 534	3 500 534
Machinery and equipment	95 358	57 404	-	152 762	152 762	-	100.0%	89 864	89 864
Land and sub-soil assets	42 000	(42 000)	-	-	-	-	-	-	-
Software and other Intangible assets	52 000	29 518	-	81 518	81 518	-	100.0%	44 247	44 247
Payments for financial assets	-	1 445	-	1 445	1 445	-	100.0%	1 274	1 274
Total	5 407 893	-	(11 085)	5 396 808	5 201 747	195 061	96.4%	5 678 832	5 098 066

WESTERN CAPE GOVERNMENT
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APPROPRIATION STATEMENT
for the year ended 31 March 2026

Programme 4: Human Settlements

	2025/26							2024/25	
	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. Programme Support Human Settlements	91 172	2 170	4 945	98 287	98 287	-	100.0%	32 808	32 808
2. Human Settlements Needs Research and Planning	23 116	(1 318)	-	21 798	21 798	-	100.0%	19 801	19 801
3. Human Settlements Development	2 212 486	2 535	1 595	2 216 616	2 216 613	3	100.0%	2 155 036	1 860 177
4. Human Settlements Management	112 318	(3 387)	1 954	110 885	98 860	12 025	89.2%	108 447	97 572
Total for sub programmes	2 439 092	-	8 494	2 447 586	2 435 558	12 028	99.5%	2 316 092	2 010 358
Economic classification									
Current payments	278 785	(11 915)	7 347	274 217	274 214	3	100.0%	246 184	229 649
Compensation of employees	153 268	-	1 850	155 118	155 118	-	100.0%	148 889	148 889
Goods and services	125 517	(11 915)	5 497	119 099	119 096	3	100.0%	97 295	80 760
Transfers and subsidies	2 125 151	7 203	273	2 132 627	2 120 602	12 025	99.4%	2 065 483	1 776 284
Provinces and municipalities	97 318	301	-	97 619	85 594	12 025	87.7%	127 094	105 281
Households	2 027 833	6 902	273	2 035 008	2 035 008	-	100.0%	1 938 389	1 671 003
Payments for capital assets	4 435	4 594	874	9 903	9 903	-	100.0%	4 413	4 413
Machinery and equipment	4 435	(611)	-	3 824	3 824	-	100.0%	4 413	4 413
Software and other Intangible assets	-	5 205	874	6 079	6 079	-	100.0%	-	-
Payments for financial assets	30 721	118	-	30 839	30 839	-	100.0%	12	12
Total	2 439 092	-	8 494	2 447 586	2 435 558	12 028	99.5%	2 316 092	2 010 358

WESTERN CAPE GOVERNMENT
INFRASTRUCTURE
VOTE 10
APPROPRIATION STATEMENT
for the year ended 31 March 2026

Programme 5: Community Based Programmes/EPWP

	2025/26							2024/25	
	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. Programme Support Community Based/EPWP	7 566	(133)	(1 333)	6 100	6 100	-	100.0%	6 091	6 091
2. Innovation and Empowerment	55 535	20	1 267	56 822	56 822	-	100.0%	53 372	53 372
3. EPWP co-ordination and Compliance Monitoring	16 420	113	147	16 680	16 680	-	100.0%	15 541	15 541
Total for sub programmes	79 521	-	81	79 602	79 602	-	100.0%	75 004	75 004
Economic classification									
Current payments	77 658	(4)	(170)	77 484	77 484	-	100.0%	73 531	73 531
Compensation of employees	51 209	-	(1 445)	49 764	49 764	-	100.0%	45 562	45 562
Goods and services	26 449	(4)	1 275	27 720	27 720	-	100.0%	27 969	27 969
Transfers and subsidies	391	(1)	6	396	396	-	100.0%	1	1
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	1	(1)	-	-	-	-	-	-	-
Households	390	-	6	396	396	-	100.0%	1	1
Payments for capital assets	1 472	-	245	1 717	1 717	-	100.0%	1 468	1 468
Machinery and equipment	1 472	-	245	1 717	1 717	-	100.0%	1 468	1 468
Payments for financial assets	-	5	-	5	5	-	100.0%	4	4
Total	79 521	-	81	79 602	79 602	-	100.0%	75 004	75 004

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2026

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-10 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 **R'000**	Actual Expenditure **R'000**	Variance **R'000**	Variance as a % of Final Budget %
1. Administration	367 990	365 189	2 801	0.8%
3. Transport Infrastructure	5 396 808	5 201 747	195 061	3.6%
4. Human Settlements	2 447 586	2 435 558	12 028	0.5%
Total	8 212 384	8 002 494	209 890	2.5%

Underspending on Earmarked Energy project, Disaster Relief funds due to delays caused by environmental impact assessments and heritage approvals and claims not submitted by the municipalities for title deeds restoration.

4.2 Per economic classification

Economic classification	Final Budget **R'000**	Actual Expenditure **R'000**	Variance **R'000**	Variance as a % of Final Budget %
Current payments				
Goods and services	2 679 186	2 674 070	5 116	0.2%
Transfers and subsidies				
Provinces and municipalities	866 011	850 194	15 817	1.8%
Public corporations and private enterprises	90	66	24	26.7%
Payments for capital assets				
Building and other fixed structures	3 894 635	3 704 384	190 251	4.9%
Total	7 439 922	7 228 714	211 208	2.9%

4.3 Per conditional grant

Conditional Grant	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	**R'000**	**R'000**	%
Human Settlements Development Grant (Pr 4)	1 663 926	1 651 901	12 025	0.7%
Provincial Roads Maintenance Grant (Pr 3)	2 206 800	2 017 863	188 937	8.6%
Total	3 870 726	3 669 764	200 962	5.2%

Underspending on Disaster Relief funds due to delays caused by environmental impact assessments and heritage approvals and claims not submitted by the municipalities for title deeds restoration.

WESTERN CAPE GOVERNMENT
INFRASTRUCTURE
VOTE 10
STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2026

	Note	2025/26 R'000	2024/25 R'000
REVENUE			
Annual appropriation	1	10 928 046	10 791 736
Departmental revenue	2	217 915	131 497
TOTAL REVENUE		11 145 961	10 923 233
EXPENDITURE			
Current expenditure			
Compensation of employees	3	1 026 486	936 985
Goods and services	4	2 674 070	2 557 557
Total current expenditure		3 700 556	3 494 542
Transfers and subsidies			
Transfers and subsidies	6	2 910 388	2 528 499
Total transfers and subsidies		2 910 388	2 528 499
Expenditure for capital assets			
Tangible assets	7	3 881 665	3 811 971
Intangible assets	7	191 244	66 765
Total expenditure for capital assets		4 072 909	3 878 736
Payments for financial assets	5	32 985	1 598
TOTAL EXPENDITURE		10 716 838	9 903 375
SURPLUS/(DEFICIT) FOR THE YEAR		429 123	1 019 858
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		211 208	888 361
Annual appropriation		10 246	30 819
Conditional grants		200 962	857 542
Departmental revenue	13	217 915	131 497
SURPLUS/(DEFICIT) FOR THE YEAR		429 123	1 019 858

WESTERN CAPE GOVERNMENT
INFRASTRUCTURE
VOTE 10
STATEMENT OF FINANCIAL POSITION
as at 31 March 2026

	Note	2025/26 R'000	2024/25 R'000
ASSETS			
Current assets		326 902	1 088 575
Cash and cash equivalents	8	262 583	592 585
Prepayments and advances	10	6 816	110 629
Receivables	11	57 503	385 361
Non-current assets		5 007	2 158
Receivables	11	3 195	489
Other financial assets	9	1 812	1 669
TOTAL ASSETS		331 909	1 090 733
LIABILITIES			
Current liabilities		285 961	1 047 270
Voted funds to be surrendered to the Revenue Fund	12	211 208	888 361
Departmental revenue to be surrendered to the Revenue Fund	13	9 708	14 427
Payables	14	65 045	144 482
TOTAL LIABILITIES		285 961	1 047 270
NET ASSETS		45 948	43 463
Represented by:			
Recoverable revenue		45 948	43 463
TOTAL		45 948	43 463

WESTERN CAPE GOVERNMENT
INFRASTRUCTURE
VOTE 10
STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2026

	Note	2025/26 R'000	2024/25 R'000
Recoverable revenue			
Opening balance		43 463	40 650
Transfers:		2 485	2 813
Recoverable revenue written off	5.2	(324)	(81)
Debts revised		(307)	(206)
Debts recovered (included in departmental revenue)		(553)	(1 954)
Debts raised		3 669	5 054
Closing balance		45 948	43 463
TOTAL		45 948	43 463

WESTERN CAPE GOVERNMENT
INFRASTRUCTURE
VOTE 10
CASH FLOW STATEMENT
as at 31 March 2026

	Note	2025/26 R'000	2024/25 **R'000**
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		11 214 477	11 015 125
Annual appropriation funds received	1.1	10 928 046	10 791 736
Departmental revenue received	2	285 860	223 142
Interest received	2.2	571	247
Net (increase)/decrease in net working capital		349 528	2 635
Surrendered to the Revenue Fund	12 & 13	(1 233 131)	(749 805)
Current payments		(3 700 556)	(3 494 542)
Payments for financial assets	5	(32 985)	(1 598)
Transfers and subsidies paid		(2 910 388)	(2 528 499)
Net cash flow available from operating activities	15	3 686 945	4 243 316
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	7	(4 072 909)	(3 878 736)
Proceeds from sale of capital assets	2.3	53 620	10 072
(Increase)/decrease in other financial assets	9	(143)	(1 462)
(Increase)/decrease in non-current receivables	11	-	-
Net cash flow available from investing activities		(4 019 432)	(3 870 126)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		2 485	2 813
Net cash flows from financing activities		2 485	2 813
Net increase/(decrease) in cash and cash equivalents		(330 002)	376 003
Cash and cash equivalents at beginning of period		592 585	216 582
Cash and cash equivalents at end of period	16	262 583	592 585

WESTERN CAPE GOVERNMENT
INFRASTRUCTURE
VOTE 10
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2026

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies

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

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

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

1 Basis of preparation

The financial statements have been prepared in accordance with the Modified Cash Standard.

2 Going concern

The financial statements have been prepared on a going concern basis.

3 Presentation currency

Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.

4 Rounding

Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).

5 Foreign currency translation

Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.

6 Comparative information

6.1 Prior period comparative information

Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

6.2 Current year comparison with budget

A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

7 Revenue

7.1 Appropriated funds

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

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

Appropriated funds are measured at the amount's receivable.

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

7.2 Departmental revenue

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

Departmental revenue is measured at the cash amount received.

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

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

7.3 Accrued departmental revenue

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

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

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

Write -offs are made according to the departments 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.

12 Financial assets

12.1 Financial assets (not covered elsewhere)

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

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

12.2 Impairment of financial assets

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

13 Payables

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

14 Capital Assets

14.1 Immovable capital assets

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

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

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

14.2 Movable capital assets

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

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

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

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

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

14.3 Intangible assets

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

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

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

All assets acquired prior to 1 April 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.

14.4 Project Costs: Work-in-progress

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

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

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

15 Provisions and contingents

15.1 Provisions

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

15.2 Contingent liabilities

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

15.3 Contingent assets

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

15.4 Capital Commitments

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

16 Unauthorised expenditure

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

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

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

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

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

17 Fruitless and wasteful expenditure

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

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

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

18 Irregular expenditure

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

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

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

19 Changes in accounting policies, estimates and errors

Changes in estimates 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.

20 Events after the reporting date

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

21 Principal-Agent arrangements

The department is acting as a principal when it has the power to exercise beneficial control over an activity. The department has beneficial control when it has both the power to direct the activity, and the ability to benefit from that power. In the public sector, “benefits” can consist of economic benefits, service potential or both. Activities, in this context, would consist of events, tasks or processes that give rise to a flow of economic benefits or service potential between the department and other parties.

Where the department acts as a principal it discloses as part of the primary financial information, the following in the notes to the financial statements, the total payments made to its agents (where applicable) during the period; and an explanation about the nature, circumstances and terms relating to the arrangements.

Where a department is acting as an agent for another department or public sector entity it shall disclose as part of the primary financial information, the following in the notes to the financial statements; a reconciliation between total agency funds received and disbursements made in executing the agency services; an explanation of differences between amounts spent on behalf of the other party, and any reimbursements received in the reporting period; any revenue earned from rendering the agency service, and the amount of revenue recognised based on cash receipts during the reporting period; a narrative description and explanation of assets belonging to other entities that are held in the custody of the department; and an explanation about the nature, circumstances and terms relating to the arrangements.

22 Recoverable revenue

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

23 Related party transactions

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

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

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

At the date of acquisition, inventories are recognised at cost in the statement of financial performance.

Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.

Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.

The cost of inventories is assigned by using the weighted average cost basis.

25 Public-Private Partnerships

Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.

A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.

26 Employee benefits

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

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) and Provincial Departments:

	2025/26			2024/25		
	Final Budget	Actual Funds Received	Funds not requested/ not received	Final Budget	Appropriation Received	Funds not requested/ not received
Programmes	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
1. Administration	367 990	367 990	-	335 160	335 160	-
2. Public Works Infrastructure	2 636 060	2 636 060	-	2 386 648	2 386 648	-
3. Transport Infrastructure	5 396 808	5 396 808	-	5 678 832	5 678 832	-
4. Human Settlements	2 447 586	2 447 586	-	2 316 092	2 316 092	-
5. Community Based Programmes / EPWP	79 602	79 602	-	75 004	75 004	-
Total	10 928 046	10 928 046	-	10 791 736	10 791 736	-

1.2. Conditional grants

	Note	2025/26 **R'000**	2024/25 **R'000**
Total grants received	34	4 198 527	3 874 682

2. Departmental revenue

	Note	2025/26 **R'000**	2024/25 **R'000**
Sales of goods and services other than capital assets	2.1	222 079	192 883
Interest, dividends and rent on land	2.2	571	247
Sales of capital assets	2.3	53 620	10 072
Transactions in financial assets and liabilities	2.4	63 781	30 259
Transfers received	2.5	-	-
Total revenue collected		340 051	233 461
Less: Own revenue included in appropriation	13	(122 136)	(101 964)
Total		217 915	131 497

2.1. Sales of goods and services other than capital assets

	Note	2025/26 R'000	2024/25 R'000
Sales of goods and services produced by the department		221 981	192 855
*Sales by market establishment		221 580	192 487
Administrative fees		3	3
Other sales		398	365
Sales of scrap waste and other used current goods		98	28
Total	2	222 079	192 883

Increase is primarily attributable to an increase in the number of First Home Finance Units sold.

2.2. Interest dividends and rent on land

	Note	2025/26 R'000	2024/25 R'000
Interest		571	247
Total	2	571	247

2.3. Sales of capital assets

	Note	2025/26 R'000	2024/25 R'000
Tangible capital assets			
Buildings and other fixed structures		-	3 000
Machinery and equipment		15 962	-
Land and subsoil assets		37 658	7 072
Total	2	53 620	10 072

The increase in overcollection relates to the sale of construction vehicles under Machinery and equipment and the disposal of land under Land and subsoil assets for the development of the Conradie Park BLMEP through its land availability and development agreement.

2.4. Transactions in financial assets and liabilities

	Note	2025/26 R'000	2024/25 R'000
Receivables		1 158	2 150
Other Receipts including Recoverable Revenue		62 623	28 109
Total	2	63 781	30 259

The increase in overcollection mainly relates to unspent monies received from municipalities from prior years.

3. Compensation of employees

3.1. Salaries and wages

	2025/26	2024/25
	R'000	**R'000**
Basic salary	702 853	642 098
Performance bonus	-	-
Service based	582	520
Compensative/circumstantial	14 860	13 931
Periodic payments	7 912	7 313
Other non-pensionable allowances	143 306	131 919
Total	869 513	795 781

3.2. Social contributions

	2025/26	2024/25
Employer contributions	**R'000**	**R'000**
Pension	85 909	79 309
Medical	70 242	61 034
Bargaining council	257	220
Insurance	565	641
Total	156 973	141 204
Total compensation of employees	1 026 486	936 985
Average number of employees	1 903	1 843

The increase is mainly attributable to the higher average number of employees during the year, which resulted in elevated personnel-related expenditure.

4. Goods and services

	Note	2025/26 R'000	2024/25 R'000
Administrative fees		370	879
Advertising		2 541	848
Minor assets	4.1	4 018	3 250
Bursaries (employees)		2 520	3 236
Catering		2 843	3 094
Communication		6 806	4 813
Computer services	4.2	77 262	27 230
*Consultants: Business and advisory services		445 679	350 795
Infrastructure and planning services		111 557	102 669
Laboratory services		52	29
Legal services		17 213	12 420
**Contractors		702 594	826 782
***Agency and support / outsourced services		67 038	37 944
Entertainment		26	43
Audit cost – external	4.3	14 602	13 885
Fleet services		44 302	49 960
Inventories	4.4	-	67
Consumables	4.5	55 445	57 254
Operating leases		227 874	227 469
****Property payments	4.6	829 191	775 015
Rental and hiring		889	845
Travel and subsistence	4.7	25 449	23 914
Venues and facilities		686	881
Training and development		31 878	30 738
Other operating expenditure	4.8	3 235	3 497
Total		2 674 070	2 557 557

* Increase in consultants is Cape Nature Disaster related expenditure and Western Cape Infrastructure Strategy.

** Contractors reduction is due to earmarked funding for flood damage project not carried through into 2025/26.

*** Increased in Agency and support mainly due to the processing backlog of invoices for the supervision and monitoring of weigh bridges.

**** Increase in property payments due to increase in maintenance of departmental assets, municipal service charges above inflation and newly implemented city- wide cleaning fee implemented by the City.

4.1. Minor assets

	Note	2025/26 R'000	2024/25 R'000
Tangible capital assets			
Machinery and equipment		4 018	3 250

Total	4	4 018	3 250

4.2. Computer services

	Note	2025/26 R'000	2024/25 R'000
SITA computer services		2 226	2 117
*External computer service providers		75 036	25 113
Total	4	77 262	27 230

*Increased mainly due to the completion of the research and design phase of the Emerge project and increased electronic traffic monitoring for the Road Data Collection.

4.3. Audit cost - external

	Note	2025/26 R'000	2024/25 R'000
Regularity audits		14 190	12 233
Investigations		-	1 299
Computer audits		412	353
Total	4	14 602	13 885

4.4. Inventories

	Note	2025/26 R'000	2024/25 R'000
Fuel oil and gas		-	-
Other supplies		-	67
Total		-	67

Other supplies

	Note	2025/26 R'000	2024/25 R'000
Assets for distribution			
Other assets for distribution		-	67
Total	4.4	-	67

4.5. Consumables

	Note	2025/26 R'000	2024/25 R'000
Consumable supplies		52 591	54 576
Uniform and clothing		7 489	4 450
Household supplies		2 270	3 014
Building material and supplies		39 820	44 680
Communication accessories		-	-

IT consumables		829	718
Other consumables		2 183	1 714
Stationery printing and office supplies		2 854	2 678
Total	4	55 445	57 254

4.6. Property payments

	Note	2025/26 R'000	2024/25
Municipal services		186 825	174 104
Property management fees		9 758	11 424
Property maintenance and repairs		376 559	358 726
Other		256 049	230 761
Total	4	829 191	775 015

4.7. Travel and subsistence

	Note	2025/26 R'000	2024/25 R'000
Local		24 280	22 913
Foreign		1 169	1 001
Total	4	25 449	23 914

4.8. Other operating expenditure

	Note	2025/26 R'000	2024/25 R'000
Professional bodies membership and subscription fees		966	1 899
Resettlement costs		277	256
Other		1 992	1 342
Total	4	3 235	3 497

5. Payments for financial assets

	Note	2025/26 R'000	2024/25 R'000
Other material losses written off	5.1	32 638	1 392
Debt written off	5.2	347	206
Total		32 985	1 598

5.1. Other material losses

Nature of losses	Note	2025/26 R'000	2024/25 R'000
Damages and losses to Government Motor Transport Vehicles (19 cases)		178	72
Damages and losses to Road Construction and Maintenance Plant Equipment (120 cases)		1 404	1 264
*Other Losses (3 cases)		30 723	1
Damage to property (2 case)		55	10
Damage to private vehicle (4 case)		278	45
Total	5	32 638	1 392

* Other losses mainly relate to PT debt written off which was brought forward from the former Department of Human Settlements relating to voted funds it had over surrendered to NT.

5.2. Debts written off

	Note	2025/26 R'000	2024/25 R'000
Nature of debts written off			
Recoverable Revenue written off			
Debt-Ex-employee (7 cases)		315	77
Debt- Other (3 cases)		9	4
		324	81
Other debt written off			
Debt: Ex-employee debt (5 cases)		6	125
Other debt (6 cases)		17	-
		23	125
Total debt written off	5	347	206

6. Transfers and subsidies

	Note	2025/26	2024/25 R'000
Provinces and municipalities	Annex 1A	850 194	833 838
Departmental agencies and accounts	Annex 1B	-	44
Public corporations and private enterprises	Annex 1C	66	-
*Households	Annex 1D	2 060 128	1 694 617
Total		2 910 388	2 528 499

*National Human Settlements re-allocated funds in respect of the Human Settlements Development Grant and Informal Settlements Upgrading Partnership Grant in the previous financial year.

7. Expenditure for capital assets

	2025/26	2024/25
	R'000	**R'000**
Tangible capital assets	3 881 665	3 811 971
Buildings and other fixed structures	3 704 384	3 698 006
Machinery and equipment	177 281	113 231
Land and subsoil assets	-	734
Intangible capital assets	191 244	66 765
*Software	191 244	66 765
Total	4 072 909	3 878 736

*Increased spending on software development mainly for Emerge, Road Asset Management and Road Operational system.

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

	2025/26		
	Voted funds	Aid assistance	Total
	R'000	**R'000**	**R'000**
Tangible capital assets	3 881 665	-	3 881 665
Buildings and other fixed structures	3 704 384	-	3 704 384
Machinery and equipment	177 281	-	177 281
Land and subsoil assets	-	-	-
Intangible capital assets	191 244	-	191 244
Software	191 244	-	191 244
Total	4 072 909	-	4 072 909

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

	2024/25		
	Voted funds	Aid assistance	Total
	R'000	**R'000**	**R'000**
Tangible capital assets	3 811 971	-	3 811 971
Buildings and other fixed structures	3 698 006	-	3 698 006
Machinery and equipment	113 231	-	113 231
Land and subsoil assets	734	-	734
Intangible capital assets	66 765	-	66 765
Software	66 765	-	66 765
Total	3 878 736	-	3 878 736

7.3. Finance lease expenditure included in Expenditure for capital assets

	2025/26	2024/25
	R'000	**R'000**
Tangible capital assets		
Machinery and equipment	14 705	12 510
Total	14 705	12 510

8. Cash and cash equivalents

	2025/26	2024/25
	R'000	**R'000**
Consolidated Paymaster General Account	262 580	592 582
Cash on hand	3	3
Total	262 583	592 585

9. Other financial assets

	2025/26	2024/25
	R'000	**R'000**
Non – current		
Local		
Deposits Municipal accounts	1 457	1 314
Deposits Private Enterprises	355	355
Total Non-current other financial assets	1 812	1 669

10. Prepayments and advances

	Note	2025/26	2024/25
		R'000	**R'000**
Travel and subsistence		275	4
Advances paid (Not expensed)	10.1	6 541	110 625
Total		6 816	110 629
Analysis of Total Prepayments and advances			
Current Prepayments and advances		6 816	110 629
Total		6 816	110 629

10.1. Advances paid (Not expensed)

		2025/26				
		Amount as at 31 March 2025	Less: Amounts expensed in current year	Add / Less: Other	Add: Current year advances	Amount as at 31 March 2026
	Note					
District Municipalities		110 625	(228 647)	-	124 563	6 541
Total	10	110 625	(228 647)	-	124 563	6 541

Advances paid to District Municipalities as per the agreements for continuous maintenance and construction performed on proclaimed provincial roads.

		2024/25				
		Amount as at 31 March 2024	Less: Amounts expensed in current year	Add / Less: Other	Add: Current year advances	Amount as at 31 March 2025
	Note					
District Municipalities		142 972	(136 432)	-	104 085	110 625
Total	10	142 972	(136 432)	-	104 085	110 625

11. Receivables

		2025/26			2024/25		
		Current	Non-current	Total	Current	Non-current	Total
	Note	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Claims recoverable	11.1	11 222	-	11 222	7 703	-	7 703
Recoverable expenditure	11.2	8 765	-	8 765	9 068	-	9 068
Staff debt	11.3	2 339	469	2 808	2 594	489	3 083
Other receivables	11.4	35 177	2 726	37 903	365 996	-	365 996
Total		57 503	3 195	60 698	385 361	489	385 850

11.1. Claims recoverable

		2025/26	2024/25
	Note	**R'000**	**R'000**
National departments	Annex 3	1 729	1 637
Provincial departments	Annex 3	7 578	4 151
Local governments	Annex 3	1 915	1 915
Total	11	11 222	7 703

11.2. Recoverable expenditure

	Note	2025/26 R'000	2024/25 R'000
Disallowance: Damages and Losses		8 734	8 781
Disallowance: Miscellaneous		31	287
Total	11	8 765	9 068

11.3. Staff debt

	Note	2025/26 R'000	2024/25 R'000
Staff Debt/Ex-employees/Bursary Debt		2 785	3 063
Salary Medical Aid		6	20
Salary Tax Debt/ Payroll related		17	-
Total	11	2 808	3 083

11.4. Other receivables

	Note	2025/26 R'000	2024/25 R'000
*Supplier Debt		37 903	65 996
**Funds: National Human Settlements		-	300 000
Total	11	37 903	365 996

* Supplier debt relates to balances inherited from the former Department of Human Settlements during its close-out.
** National Human Settlements re-allocated funds in 2024/25 financial year amounting to R200 million in respect of the Human Settlements Development Grant and R100 million in respect of Informal Settlements Upgrading Partnership Grant. This amount was not received by the Department as this was only adjusted on a National level.

11.5. Impairment of receivables

	2025/26 R'000	2024/25 R'000
Estimate of impairment of receivables	38 979	66 992
*Other Receivables	-	300 000
Total	38 979	366 992

Impairment is based on debtors that were handed over to the State Attorney and Legal Services for recovery and/or long outstanding debt the department has assessed that may not be recoverable.

*Other Receivables in the prior period impairment is due to Divisions of Revenue Act (DORA) adjustment as per Government Gazette dated 3 March 2025. The Human Settlements Development Grant and Informal Settlements Upgrading Partnerships Grant reallocation of R200 million and R100 million respectively was not received by the Province.

12. Voted funds to be surrendered to the Revenue Fund

	2025/26	2024/25
	R'000	**R'000**
Opening balance	888 361	514 013
Transferred from statement of financial performance	211 208	888 361
*Paid during the year	(888 361)	(514 013)
Closing balance	211 208	888 361

* National Human Settlements re-allocated funds in 2024/25 financial year amounting to R200 million in respect of the Human Settlements Development Grant and R100 million in respect of Informal Settlements Upgrading Partnership Grant. This amount was not received by the Department as this was only adjusted on a National level.

12.1. Reconciliation on unspent conditional grants

	Note	2025/26	2024/25
		R'000	**R'000**
Opening balance		557 542	222 396
Total conditional grants received	1.2	4 198 527	3 874 682
Total conditional grants spent		(3 997 565)	(3 317 140)
Unspent conditional grants to be surrendered		758 504	779 938
Less: Paid to the Provincial Revenue Fund by Provincial department		(557 542)	(222 396)
Approved for rollover		(557 542)	-
Not approved for rollover		-	(222 396)
Closing balance		200 962	557 542

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

	2025/26	2024/25
	R'000	**R'000**
Opening balance	14 427	16 758
Transfer from Statement of financial performance	217 915	131 497
Own revenue included in appropriation	122 136	101 964
Paid during the year	(344 770)	(235 792)
Closing balance	9 708	14 427

14. Payables - current

	Note	2025/26	2024/25
		R'000	**R'000**
Advances received	14.1	60 578	141 265
Clearing accounts	14.2	1 522	507
Other payables	14.3	2 945	2 710
Total		65 045	144 482

14.1. Advances received

	Note	2025/26 R'000	2024/25 R'000
Local Government: City of Cape Town	Annex 7B	60 578	141 265
Total	14	60 578	141 265

Advances received are in respect of Urban Settlement Development Grant (USDG) and Informal Settlements Upgrading Partnership Grant (ISUPG) Funds received from the City of Cape Town for the provision of bulk infrastructure by the Department.

14.2. Clearing accounts

	Note	2025/26 R'000	2024/25 R'000
Salary: Government Employees Housing Scheme refunds		785	507
Salary Income Tax		525	-
Salary Pension Fund		212	-
Total	14	1 522	507

14.3. Other payables

	Note	2025/26 R'000	2024/25 R'000
Disallowance Miscellaneous		-	71
Contractor Guarantees		2 945	2 639
Total	14	2 945	2 710

15. Net cash flow available from operating activities

	2025/26 R'000	2024/25 R'000
Net surplus/(deficit) as per Statement of Financial Performance	429 123	1 019 858
Add back non-cash/cash movements not deemed operating activities	3 257 822	3 223 458
Increase in receivables	325 152	(31 177)
Increase in prepayments and advances	103 813	32 796
Increase in payables – current	(79 437)	1 016
Proceeds from sale of capital assets	(53 620)	(10 072)
Expenditure on capital assets	4 072 909	3 878 736
Surrenders to Revenue Fund	(1 233 131)	(749 805)
Own revenue included in appropriation	122 136	101 964
Net cash flow generated by operating activities	3 686 945	4 243 316

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

	2025/26	2024/25
	R'000	**R'000**
Consolidated Paymaster General account	262 580	592 582
Cash on hand	3	3
Cash with commercial banks (Local)	-	-
Total	262 583	592 585

17. Contingent liabilities and contingent assets

17.1. Contingent liabilities

Liable to	Nature	Note	2025/26	2024/25
			R'000	**R'000**
*Other guarantees	Borrow Pits	Annex 2A	13 420	13 886
**Private individuals	Claims against the department	Annex 2B	279 813	263 335
***Various Departments liabilities	Intergovernmental contingent	Annex 4	1 079	1 534
Total			294 312	278 755

At this stage the Department is not able to reliably measure the contingent liability in terms of the Government Employees Housing Scheme of the Individually Linked Saving Facility (ILSF) relating to resignations and termination of service.

* Other guarantees represent the guarantees provided by the department for the rehabilitation of the borrow pits only if the department defaults on the contract.

** All cases which were submitted to Legal Services and State Attorney have been included as contingent liabilities as the outcome of all the open cases are uncertain.

*** Unconfirmed intergovernmental payable balances have been included in the account as the department disputes these amounts and they remain unresolved at the reporting date.

17.2. Contingent assets

	Note	2025/26	2024/25
		R'000	**R'000**
Claims by the department		16 661	16 488
Total		16 661	16 488

All cases which were submitted to Legal Services and State Attorney have been included as contingent assets as the outcome of all the open cases are uncertain. There are 0 PILIR cases under investigation by the Department of the Premier as at 31 March 2026.

18. Capital commitments

	Note	2025/26 R'000	2024/25 R'000
*Buildings and other fixed structures		1 308 228	2 129 449
Machinery and equipment		8 036	18 145
Total		1 316 264	2 147 594

*These commitments relate to open contracts for construction work to be performed on Roads Infrastructure and Public Works Infrastructure.

19. Accruals and payables not recognised

19.1. Accruals

	2025/26			2024/25
	30 Days	30+ Days	Total	Total
Listed by economic classification	R'000	R'000	R'000	R'000
Goods and services	60 998	-	60 998	76 609
Transfers and subsidies	47 244	-	47 244	62 489
Capital assets	71 948	-	71 948	229 618
Total	180 190	-	180 190	368 716

	Note	2025/26 R'000	2024/25 R'000
Intergovernmental accruals not recognised *(included above)*	*Annex 4*	2 935	-

19.2. Payables not recognised

	2025/26			2024/25
	30 Days	30+ Days	Total	Total
Listed by economic classification	R'000	R'000	R'000	R'000
Goods and services	35 494	439	35 933	64 030
Transfers and subsidies	108 221	4	108 225	100 680
Capital assets	42 413	-	42 413	174 652
Total	186 128	443	186 571	339 362

	Note	2025/26 R'000	2024/25 R'000
Intergovernmental payables not recognised *(included above)*	*Annex 4*	1 482	-

The variance between 2024/25 and 2025/26 arises mainly from the reduced budget allocation to the national Department of Human Settlements in the 2024/25 year of assessment, which directly impacted expenditure levels in subsequent periods.

20. Employee benefits

	2025/26	2024/25
	R'000	**R'000**
*Leave entitlement	52 827	51 464
Service bonus	21 771	19 747
Capped leave	6 987	7 894
**Other	15 757	2 695
Total	97 342	81 800

* Negative leave amounts of R1.218 million is included in the leave entitlement provision.

** Included in Other:

Long service awards: At this stage the department is not able to reliably measure the long-term portion of the long service awards.

Accruals: In respect of compensation of employees.

Early retirement and voluntary exit packages.

21. Lease commitments

21.1. Operating leases

	2025/26		
	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	**R'000**	**R'000**
Not later than 1 year	177 913	2 558	180 471
Later than 1 year and not later than 5 years	411 523	1 039	412 562
Later than five years	204	-	204
Total lease commitments	589 640	3 597	593 237

	2024/25		
	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	**R'000**	**R'000**
Not later than 1 year	192 138	3 182	195 320
Later than 1 year and not later than 5 years	124 084	2 880	126 964
Later than five years	312	-	312
Total lease commitments	316 534	6 062	322 596

Property lease commitments are calculated based on a contractual obligation between the department and the lessors. The leases have an annual escalation of between 0% and 10%. The commitment amount would fluctuate based on the period remaining on the respective leases.

21.2. Finance leases

	2025/26	
	Machinery and equipment	Total
	R'000	**R'000**
Not later than 1 year	15 437	15 437
Later than 1 year and not later than 5 years	37 375	37 375
Total lease commitments	52 812	52 812

Finance leases

	2024/25	
	Machinery and equipment	Total
	R'000	**R'000**
Not later than 1 year	12 635	12 635
Later than 1 year and not later than 5 years	31 992	31 992
Total lease commitments	44 627	44 627

The Western Cape Department of Infrastructure leased 149 vehicles from GMT as at 31 March 2026. Daily tariffs are payable on a monthly basis, covering the operational costs, capital costs of replacement of vehicles, and the implicit finance costs in this type of arrangement.

The implicit Interest is based on Provincial Treasury's approved tariffs for GMT. The department uses the vehicle for most of the useful life of the vehicle. The agreement does not provide for contingent lease payments, and at the end of the useful life as determined by the lessor, the vehicles are returned where it is sold on auction for the benefit of the lessor.

21.3. Operating lease future revenue

	2025/26	
	Buildings and other fixed structures	Total
	R'000	**R'000**
Not later than 1 year	20 274	20 274
Later than 1 year and not later than 5 years	42 096	42 096
Later than five years	103 027	103 027
Total operating lease revenue receivable	165 397	165 397

	2024/25	
	Buildings and other fixed structures	Total
	R'000	**R'000**
Not later than 1 year	68 644	68 644
Later than 1 year and not later than 5 years	46 713	46 713
Later than five years	109 370	109 370
Total operating lease revenue receivable	224 727	224 727

The lease commitments are calculated based on a contractual obligation between the department and the lessee and shows the amount of revenue that is expected to be received. The leases have an annual escalation of between 0% and 10%. The commitment amount would fluctuate based on the period remaining on the respective leases. Lease commitments – operating lease revenue: adjustment of prior year commitment figure.

22. Accrued departmental revenue

	2025/26	2024/25
	R'000	**R'000**
Sales of goods and services other than capital assets	106 576	131 309
Total	106 576	131 309

It should further be noted that the not signing of lease agreements of un-lawful occupants of government properties could result that the department is at risk of losing R1.391 million rental income per year. Credit balances to the value of R30,942million were excluded when calculating the outstanding debt.

22.1. Analysis of accrued departmental revenue

	2025/26	2024/25
	R'000	**R'000**
Opening balance	131 309	137 917
Less: amounts received	(113 671)	(104 411)
Add: amounts recorded	99 676	116 416
Less: amounts written off	(10 738)	(18 613)
Closing balance	106 576	131 309

22.2. Impairment of accrued departmental revenue

	2025/26	2024/25
	R'000	**R'000**
Estimate of impairment of accrued departmental revenue	47 654	53 397
Total	47 654	53 397

Impairment is based on debtors that were handed over to the State Attorney and Legal Services for recovery and/or long outstanding debt the department has assessed that may not be recoverable.

Human Settlements - The test for impairment was done per individual debtor, as well as per the different classes of debtors. Further consideration was given to all outstanding accounts on which there was little or no movement for more than three (3) years. Debtors that have never paid have also been provided for.

23. Unauthorised, Irregular and Fruitless and wasteful expenditure

	2025/26	2024/25
	R'000	**R'000**
Irregular expenditure – current year	-	1 147
Closing balance	-	1 147

Information on any criminal or disciplinary steps taken as a result of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure is included in the annual report under the PFMA Compliance Report. Change in comparative year figure as result of a case under determination in the 2024/25FY confirmed in the current financial year.

Refer to Part E of the Annual Report for further detail.

24. Related party transactions

The department has no related party relationships and has no non- arm's length transaction or balances with related parties within the Minister's portfolio. Details of relationships between the Department and entities outside the Minister's portfolio are disclosed in the Report of the Accounting Officer.

25. Key management personnel

	2025/26	2024/25
	R'000	**R'000**
Political office bearers (MEC)	2 306	2 272
Officials:		
*Management	25 575	25 128
Total	27 881	27 400

*Management refers to Level 14's and above of the department who has significant influence over the financial and operational policy decisions of the department.

26. Public private partnership

	2025/26	2024/25
	R'000	**R'000**
Other		
Other obligations	1 851	1 949
Total	1 851	1 949

A concession agreement was concluded for the design, construction, financing, operation and maintenance of Chapman's Peak Drive as a toll road for 30 years. At the end of the concession period the road is returned to the Provincial Government of the Western Cape in a clearly defined condition. The agreement, which provided for both renewal and termination options, was signed on 21 May 2003.

The partnership between the department and Entilini Concession (RF) (Proprietary) Limited has been operational since 21 December 2003.

During 2009/10 the Executive Authority for Transport and Public Works and Finance, Economic Development and Tourism was mandated by the Premier to, with assistance of a task team, re-negotiate the contract with the Concessionaire with a view to mitigate the risk to the Department. The re-negotiations were concluded and some of the matters that were addressed were:

Improve Provincial Contract Management and Internal Control systems.

Re-negotiate certain conditions in the existing contract.

Review an alternative toll plaza solution.

Agree on pre-emptive closure regime.

Review methodology of Province Future Support.

Review of upgrades and maintenance reserve fund.

In this new Addendum to the Concession Agreement, signed on 8 March 2011, a provision was made for assurance that debt obligations and maintenance costs will be met, both planned and unplanned operating and managing expenses were reviewed and pegged at an acceptable level, to be increased annually with CPI. Revenue projections were also scrutinised.

Any shortfall between the actual revenue and expenses would be made good by the Province, which will be reimbursed once the Concessionaire has paid up its long-time debt (2023) and there is a surplus available after expenses have been paid out of revenue.

The Province will have the first right of call to this surplus for the revenue support provided during the concession period and thereafter, any available surplus will be distributed on a 50:50 basis.

During the 2013/2014 financial year, the agreement was amended to update the manner in which the surplus was distributed and to include costs to be covered by the department, specifically the continued operation of the Day Pass program, which was not agreed to in the original contract. The Day Pass expense is paid on a monthly basis, in addition to the shortfall noted above, which is determined and paid every six months.

This Fourth Addendum to the Concession Agreement, signed 20 November 2013, now stated that 100% of any surplus would become the Province Fee. The contract also provides that the Province may instruct the Concessionaire to retain these funds on behalf of the Province and to set-off against any amounts payable by the Province to the Concessionaire. The first Province Fee has accrued during the 2023/2024 financial year and is kept in an interest-bearing account on behalf of the Province. The current monthly expenses, Day Pass and Rock-fall monitoring may thus be set-off against this from July 2023 if required. However, it has been determined that additional structures and improvements are required at certain high-risk sections of the road and that the funds in the Province Fee Reserve Account will be utilised for those approved projects.

In the absence of extended road closures due to damage events, the project can be considered a successful Public Private Partnership, as the toll fees collected covers the relevant costs to operate and maintain this section of provincial road safely. However, it must be noted that should any extended road closures occur, there might be a shortfall in the Province Future Support, which the Province will be liable for.

27. Provisions

	2025/26 **R'000**	2024/25 **R'000**
Non-residential buildings	15 254	11 133
Other fixed structures	162 228	193 734
Claims Legal Services	-	144
Housing Projects	15 601	18 962
Closing balance	193 083	223 703

Non-Residential Buildings and Other Fixed Structures, Housing Projects is retention held back.
Opening balances have been adjusted to incorporate newly identified information.

27.1. Reconciliation of movement in provisions - Current year

				2025/26	
	Non-residential buildings	Other fixed Structures	Claims Legal Services	Housing Projects	Total provisions
	R'000	**R'000**			**R'000**
Opening balance	11 133	193 734	144	18 692	223 703
Increase in Provision	11 775	69 677	-	6 279	87 731
Settlement of Provision	(7 654)	(101 183)	(144)	(9 370)	(118 351)
Unused amount reversed	-	-	-	-	-
Total	15 254	162 228	-	15 601	193 083

Reconciliation of movement in provisions - Prior year

				2024/25	
	Non-residential buildings	Other fixed Structures	Claims Legal Services	Housing Projects	Total provisions
	R'000	**R'000**			**R'000**
Opening balance	12 436	126 586	1 958	39 944	180 924
Increase in Provision	6 036	112 719	-	2 076	120 831
Settlement of Provision	(7 339)	(45 571)	-	(23 328)	(76 238)
Unused amount reversed	-	-	(1 814)	-	(1 814)
Total	11 133	193 734	144	18 692	223 703

28. Non-adjusting events after reporting date

A disaster was declared in May 2026, which resulted in damage to multiple infrastructure assets, and the full extent of the impact is still being assessed.

29. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2026

		2025/26		
	Opening balance	Additions	Disposals	Closing Balance
	R'000	**R'000**	**R'000**	**R'000**
HERITAGE ASSETS	-	-	-	-
Heritage assets	-	-	-	-
MACHINERY AND EQUIPMENT	1 455 213	163 242	(55 966)	1 562 489
Transport assets	535 993	135 172	(21 518)	649 647
Computer equipment	87 450	8 831	(9 732)	86 549
Furniture and office equipment	12 284	4 185	(305)	16 164

Other machinery and equipment	819 486	15 054	(24 411)	810 129
FINANCE LEASE ASSETS	37 705	12 986	(7 105)	43 586
Finance lease assets	37 705	12 986	(7 105)	43 586
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	1 492 918	176 228	(63 071)	1 606 075

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 that are under investigation:		
Machinery and equipment	183	3 153
Total	183	3 153

Financial Governance is currently investigating these items, which may have been lost or stolen.

29.1. MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	2024/25			
	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
HERITAGE ASSETS	-	-	-	-
Heritage assets	-	-	-	-
MACHINERY AND EQUIPMENT	1 359 809	100 721	(5 317)	1 455 213
Transport assets	510 380	25 613	-	535 993
Computer equipment	84 562	7 444	(4 556)	87 450
Furniture and office equipment	8 822	3 705	(243)	12 284
Other machinery and equipment	756 045	63 959	(518)	819 486
FINANCE LEASE ASSETS	36 884	12 157	(11 336)	37 705
Finance lease assets	36 884	12 157	(11 336)	37 705
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	1 396 693	112 878	(16 653)	1 492 918

29.2. Minor assets

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2026

	2025/26		
	Heritage assets	Machinery and equipment	Total
	R'000	**R'000**	**R'000**
Opening balance	-	44 354	44 354
Additions	-	4 480	4 480
Disposals	-	(2 708)	(2 708)
Total Minor assets	-	46 126	46 126

	Heritage assets	Machinery and equipment	Total
Number of R1 minor assets	-	110	110
Number of minor assets at cost	-	20 874	20 874
Total number of minor assets	-	20 984	20 984

Minor capital assets under investigation

	Number	Value
		R'000
Included in the above total of minor capital assets per the asset register that are under investigation:		
Machinery and equipment	390	771
Total	390	771

Financial Governance is currently investigating these items, which may have been lost or stolen.

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	2024/25		
	Heritage assets	Machinery and equipment	Total
	R'000	**R'000**	**R'000**
Opening balance	-	43 232	43 232
Additions	-	3 250	3 250
Disposals	-	(2 128)	(2 128)
Total Minor assets	-	44 354	44 354

	Heritage assets	Machinery and equipment	Total
Number of R1 minor assets	-	102	102
Number of minor assets at cost	-	20 455	20 455
Total number of minor assets	-	20 557	20 557

29.3. Movable capital assets written off

MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2026

	2025//26		
	Heritage assets	Machinery and equipment	Total
	R'000	**R'000**	**R'000**
Assets written off	-	746	746
Total moveable assets written off	-	746	746

MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2025

	2024/25		
	Heritage assets	Machinery and equipment	Total
	R'000	**R'000**	**R'000**
Assets written off	-	448	448
Total moveable assets written off	-	448	448

30. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2026

	2025/26			
	Opening balance	Additions	Disposals	Closing Balance
	R'000	**R'000**	**R'000**	**R'000**
SOFTWARE	400 288	191 244	(35 807)	555 725
TOTAL INTANGIBLE CAPITAL ASSETS	400 288	191 244	(35 807)	555 725

30.1. MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	2024/25				
	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	**R'000**	**R'000**	**R'000**	**R'000**
SOFTWARE	321 688	11 851	66 765	(16)	400 288
TOTAL INTANGIBLE CAPITAL ASSETS	321 688	11 851	66 765	(16)	400 288

30.1.1. Prior period error

Nature of prior period error	*Note*	2024/25 **R'000**
Relating to 2024/25		11 851
Correcting internally generated intangible assets		11 851
Total prior period errors		11 851

31. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2026

	2025/26			
	Opening balance	Additions	Disposals	Closing Balance
	R'000	**R'000**	**R'000**	**R'000**

BUILDINGS AND OTHER FIXED STRUCTURES	91 007 211	3 329 318	(15 702)	94 320 827
Non-residential buildings	42 202 106	193 917	(15 702)	42 380 321
Other fixed structures	48 805 105	3 135 401	-	51 940 506
HERITAGE ASSETS	570 348	-	-	570 348
Heritage assets	570 348	-	-	570 348
LAND AND SUBSOIL ASSETS	1 026 813	32 967	(670)	1 059 110
Land	1 026 813	32 967	(670)	1 059 110
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	92 604 372	3 362 285	(16 372)	95 950 285

31.1. MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	2024/25				
	Opening balance	Prior Period Error	Additions	Disposals	Closing Balance
	R'000	**R'000**	**R'000**	**R'000**	**R'000**
BUILDINGS AND OTHER FIXED STRUCTURES	87 420 956	683 897	2 991 232	(88 874)	91 007 211
Non-residential buildings	40 808 951	683 740	798 289	(88 874)	42 202 106
Other fixed structures	46 612 005	157	2 192 943	-	48 805 105
HERITAGE ASSETS	570 155	193	-	-	570 348
Heritage assets	570 155	193	-	-	570 348
LAND AND SUBSOIL ASSETS	1 027 657	-	6 801	(7 645)	1 026 813
Land	1 027 657	-	6 801	(7 645)	1 026 813
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	89 018 768	684 090	2 998 033	(96 519)	92 604 372

31.1.1. Prior period error

Nature of prior period error	*Note*	2024/25 **R'000**
Relating to 2023/24 (affecting the opening balance)		84 961
Immovable Assets Non-residential buildings	*33*	77 237
Immovable Assets Land and Subsoil assets		(4 942)

Immovable Assets Other fixed structures		12 666
Change in asset classes (R0 effect)		-
Relating to 2024/25		684 090
Immovable Assets Non-residential buildings	*33*	683 740
Immovable Assets Heritage assets		193
Immovable Assets Other fixed structures		157
Total prior period errors		769 051

Refer to prior period note 33 for detail.

31.2. Immovable tangible capital assets: Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2026

2025/26

	Note Annex 6	Opening balance 1 April 2025	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2026
		R'000	**R'000**	**R'000**	**R'000**
Buildings and other fixed structures		6 623 038	3 700 980	(3 273 318)	7 050 700
Total		6 623 038	3 700 980	(3 273 318)	7 050 700

Payables not recognised relating to Capital WIP	2025/26	2024/25
	R'000	**R'000**
Buildings and other fixed structures	39 253	152 146
Total	39 253	152 146

Invoices relating to capital work in progress that were received but not processed prior to 31 March 2026.

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2025

2024/25

	Note	Opening balance 1 April 2024	Prior period error	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2025
	Annex 6	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Buildings and other fixed structures		5 330 098	(2 306)	3 698 006	(2 402 760)	6 623 038
Total		5 330 098	(2 306)	3 698 006	(2 402 760)	6 623 038

The opening balance includes an adjustment of R18.886 million.

31.3. Immovable capital assets (additional information)

	Note	2025/26	2024/25
Properties deemed vested	Annex 8	Number	Number
Land parcels		754	754
Facilities			
Schools		130	130
Clinics		51	51
Dwellings		2	2
Other		148	148

The prior year adjustments resulted from sanitisation of immovable asset records where corrections identified during the process were applied retrospectively.

32. Principal-agent arrangements

32.1 Department acting as the principal

	2025/26	2024/25
	R'000	**R'000**
SA Post Office	3	4
Total	3	4

Commission paid for collecting housing debt of department.

In certain projects, the department works with developers (municipalities) through a principal-agent arrangement to manage and allocate beneficiaries. In this process, the department acts as the principal, setting the rules and making key decisions, while the developer serves as the agent, carrying out tasks on the department's behalf. The municipality plays a supporting role, focusing on administration and facilitation for beneficiary management. This arrangement has no financial impact.

32.2 Department acting as the agent

The department is an implementing agent for the Department of Health and Wellness and the Department of Education. The department publishes and awards tenders and monitor the construction of infrastructure as required by the department in terms of the service level agreement. The department does not receive any reimbursement for this function. The department sign the contracts with the contractors for Department of Health and Wellness and the Department of Education projects. Invoices for completed capital works and maintenance are issued in the name of the department

33. Prior period errors

33.1 Correction of prior period errors

		2024/25		
		Amount bef error correction	Prior period error	Restated
	Note	**R'000**	**R'000**	**R'000**
Assets:				
Intangible capital assets	30	388 437	11 851	400 288
Immovable Assets Non-residential buildings	31	41 241 030	961 076	42 202 106
Immovable Assets Land and Subsoil assets	31	1 231 854	(205 041)	1 026 813
Heritage Assets	31	570 155	193	570 348
Immovable Assets Other fixed structures	31	48 792 282	12 823	48 805 105
Capital Work in progress	31	6 644 230	(21 192)	6 623 038
Net effect		98 867 988	759 710	99 627 698

Immovable Assets: During the year under review, the adjustment to immovable assets was based on new information which, when evaluated against modified accounting standards, required changes linked to risk and reward.

During the year under review, certain development costs were expensed in error and subsequently reclassified as the project progressed to the development stage, meeting the recognition criteria for capitalisation.

Liabilities				
Provisions- Non- Residential Building	27	38 932	(9 107)	29 825
Net effect		38 932	(9 107)	29 825

During the year under review, an error in the calculation of the retention amount was identified and subsequently corrected.

Other				
Lease commitments – operating lease revenue	21	224 688	39	224 727
Net effect		224 688	39	224 727

During the year under review, a recalculation of the commitment amount for operating lease revenue was identified and adjusted.

34. Statement of conditional grants received

	2025/26									2024/25	
	GRANT ALLOCATION					SPENT					
Name of Grant	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	Under / (Overspending)	% of available funds spent by department	Division of Revenue Act / Provincial Grants	Amount spent by department
	R'000	**R'000**	R'000	R'000	**R'000**	R'000	R'000	R'000	%	**R'000**	**R'000**
Human Settlements: Human Settlements Development grant	1 663 926	-	-	-	1 663 926	1 663 926	1 651 901	12 025	99.3%	1 405 872	1 405 872
Human Settlements: Informal Settlements Upgrading Partnership grant for Provinces	325 722	-	-	-	325 722	325 722	325 722	-	100.0%	282 315	282 315
Public Works Infrastructure/Human Settlements: EPWP Integrated grant for Provinces	2 079	-	-	-	2 079	2 079	2 079	-	100.0%	4 852	4 852
Transport Infrastructure: Provincial Roads Maintenance Grant	1 569 564	557 542	-	79 694	2 206 800	2 206 800	2 017 863	188 937	91.4%	2 181 643	1 624 101
Total	3 561 291	557 542	-	79 694	4 198 527	4 198 527	3 997 565	200 962		3 874 682	3 317 140

All transfers in terms of this Act were deposited into the primary bank account of the Province.

35. Statement of conditional grants and other transfers paid to municipalities

	2025/26							2024/25	
	GRANT ALLOCATION				TRANSFER				
Name of Municipality	**DORA and other transfers**	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	**DORA and other transfers**	Actual transfer
	R'000	**R'000**	R'000	R'000	R'000	R'000	%	R'000	R'000
Municipalities: Western Cape									
Rates and Taxes	714 416	-	9 782	724 198	724 198	-	-	700 297	700 297
Earmarked and specific Funds	135 884	-	(1 478)	134 406	118 701	-	-	167 182	126 583
TOTAL	850 300	-	8 304	858 604	842 899	-		867 479	826 880

An exemption from National Treasury was given for the disclosure of all construction related expenditure linked to housing development currently classified as transfer payments and a date has not been set for the change of this disclosure.

36. Broad Based Black Economic Empowerment performance

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

ANNEXURE 1A (Note 6)

STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

	2025/26											2024/25	
	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 department	Amount spent by department	Unspent funds	% of available funds spent by department	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**
Municipalities:													
Western Cape Rates and Taxes	714 416	-	9 782	724 198	724 198	-	-	-	-	-	-	700 297	700 297
Earmarked and specific Funds	135 884	-	(1 478)	134 406	118 701	-	-	-	-	-	-	167 182	126 583
Western Cape Government PD: Vehicle Licences	9 600	-	(2 193)	7 407	7 295	-	-	-	-	-	-	7 169	6 958
Total	859 900	-	6 111	866 011	850 194	-	-	-	-	-		874 648	833 838

ANNEXURE 1B (Note 6)

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

	2025/26						2024/25	
	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**
ICASA/SABC - Com Licences (Radio & TV)	-	-	-	-	-		44	44
Total	-	-	-	-	-		44	44

Movement in terms of SCOA Classification Circular 51 of the item Com: Licences from the category Departmental Agency and Accounts to Public Corporations and Private Enterprises.

ANNEXURE 1C (Note 6)

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

Name of public corporation / private enterprise	2025/26								2024/25	
	GRANT ALLOCATION				EXPENDITURE					
	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										
ICASA/SABC - Com Licences (Radio & TV)	75	-	16	91	66	72.5%	-	-	-	-
Total	75	-	16	91	66	72.5%	-	-	-	-

Movement in terms of SCOA Classification Circular 51 of the item Com: Licences from the category Departmental Agency and Accounts to Public Corporations and Private Enterprises.

ANNEXURE 1D (Note 6)

STATEMENT OF TRANSFERS TO HOUSEHOLDS

	2025/26						2024/25	
	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								
*Social Benefits	10 839	-	(1 345)	9 494	9 494	100.0%	10 005	10 005
Bursaries (non-employees)	15 328	-	16	15 344	15 344	100.0%	15 728	15 728
Claims against the State	108	-	1 851	1 959	1 959	100.0%	133	133
	26 275	-	522	26 797	26 797		25 866	25 866
Subsidies								
Emergency Housing Assistance	65 364	-	(42 803)	22 561	22 561	100.0%	62 394	1 648
Human Settlement Redevelopment Programme	1 432 427	-	(29 097)	1 403 330	1 403 330	100.0%	1 205 868	1 138 965
Individual Support Housing	181 481	-	94 364	275 845	275 845	100.0%	244 030	243 194
Peoples Housing Process	21 435	-	(15 562)	5 873	5 873	100.0%	41 530	4 928
Upgrade of informal settlements	325 722	-	-	325 722	325 722	100.0%	382 315	280 016
	2 026 429	-	6 902	2 033 331	2 033 331		1 936 137	1 668 751
Total	2 052 704	-	7 424	2 060 128	2 060 128		1 962 003	1 694 617
Injury on duty	14	-	1	15	15	-	65	65
Leave Gratuity	6 815	-	(2 675)	4 140	4 140	-	6 515	6 515
Post-retirement benefits	-	-	124	124	124	-	104	104
Early retirement pension penalty	4 010	-	1 205	5 215	5 215	-	3 321	3 321
*Social Benefits	10 839	-	(1 345)	9 494	9 494		10 005	10 005

ANNEXURE 2A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2026 - LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2025	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced during the year	Revaluation due to foreign currency movements	Closing balance 31 March 2026	Revaluations due to inflation rate movements	Accrued guaranteed interest for year ended 31 March 2026
		R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
*Department of Infrastructure	Rehabilitation of Land	13 886	13 886	-	466	-	13 420	-	-
Total		13 886	13 886	-	466	-	13 420	-	-

*Guarantees for borrow pits issued to the Department of Mineral Resources for the Environmental Management Programme.

ANNEXURE 2B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2026

Nature of Liability	Opening Balance 1 April 2025	Liabilities incurred during the year	Liabilities paid/cancelled/reduced during the year	Liabilities recoverable	Closing Balance 31 March 2026
	R'000	**R'000**	**R'000**	**R'000**	**R'000**
Claims against the department					
Transport Infrastructure damages and losses related claims (85 open cases)	118 524	24 701	(9 876)	-	133 349
Human Settlements damages and losses related claims (3 open cases)	140 872	-	-	-	140 872
Public Works Infrastructure damages and losses related claims (4 open cases)	3 939	2 000	(347)	-	5 592
Total	263 335	26 701	(10 223)	-	279 813

ANNEXURE 3

CLAIMS RECOVERABLE

	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit as at year end 2025/2026	
	31/03/2026	31/03/2025	31/03/2026	31/03/2025	31/03/2026	31/03/2025	Payment date up to six (6) working days	Amount
Government entity	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**		**R'000**
Department								
Provincial Government Western Cape								
Agriculture	-	660	-	-	-	660	-	-
Economic Development and Tourism	-	42	-	27	-	69		
Education	505	1 215	-	-	505	1 215	-	-
Gambling and Racing Board	-	-	-	4	-	4	-	-
Health and Wellness	5 077	638	-	1 467	5 077	2 105	7/04/2026	3 616
Mobility	648	11	7	-	655	11	-	-
Local Government	344	-	-	13	344	13	-	-
Premier	5	-	-	23	5	23	7/04/2026	5
Social Development	318	-	-	2	318	2	7/04/2026	318
Treasury	180	-	-	49	180	49	7/04/2026	180
Community Safety	9	-	-	-	9	-	7/04/2026	9
National Departments								
Military Veterans	-	-	1 247	1 637	1 247	1 637	-	-
National Dept Public Works and Infrastructure	-	-	482	-	482	-	-	-
Subtotal	7 086	2 566	1 736	3 222	8 822	5 788		4 128
Other Government Entities								
Beaufort West Municipality	-	-	1 915	1 915	1 915	1 915	-	-
Government Motor Transport	485	-	-	-	485	-	-	-
Subtotal	485	-	1 915	1 915	2 400	1 915		
Total	7 571	2 566	3 651	5 137	11 222	7 703		

ANNEXURE 4

INTERGOVERNMENTAL CONTINGENT LIABILITIES, PROVISIONS, ACCRUALS, PAYABLES NOT RECOGNISED AND EMPLOYEE BENEFITS

Government entity	Total		Cash in transit as at year end 2025/2026	
	31/03/2026	31/03/2025	Payment date up to six (6) working days after year end	**Amount**
	R'000	**R'000**		**R'000**
DEPARTMENTS				
Contingent liabilities				
Health and Wellness	-	1 467	-	-
Premier	-	66	-	-
Justice	1 079	1	-	-
Subtotal	1 079	1 534	-	-
Accruals				
Health and Wellness	147	-	-	-
Premier	61	-	-	-
Subtotal	208	-	-	-

Payables not recognised				
Provincial Government Western Cape				
Health and Wellness	1 427	1 091	-	-
Premier	968	1 430	27/03/2026	907
Cultural Affairs and Sports	-	93	-	-
National Departments				
Justice	-	169	-	-
Subtotal	2 395	2 783		907
Total Departments	3 682	4 317		
Contingent liabilities	1 079	1 534		
Provisions	-	-		
Accruals	208	-		
Payables not recognised	2 395	2 783		
OTHER GOVERNMENT ENTITIES				
Accruals				
Government Motor Transport	2 727	-		
Subtotal	2 727	-		
Payables not recognised				
Government Motor Transport	-	3 561		
Subtotal	-	3 561		
Total Other Government Entities	2 727	3 561		
Accruals	2 727			
Payables not recognised		3 561		
TOTAL INTERGOVERNMENT CONTINGENT LIABILITIES, PROVISIONS, ACCRUALS, PAYABLES NOT RECOGNISED	6 409	7 878		

ANNEXURE 5

INVENTORIES

Inventories for the year ended 31 March 2026	Immovable Assets pre-1994	Assets for Distribution - Furniture and Office Equipment	TOTAL
	R'000	**R'000**	**R'000**
Opening balance	2 837 352	1 447	2 838 799
Add/(Less): Adjustments to prior year balances	(145 055)	-	(145 055)
Add: Additions/Purchases – Cash	-	-	-
Add: Additions – Non-cash	4 600	-	4 600
(Less): Issues	(245 940)	-	(245 940)
Add: Adjustments	69 361	-	69 361
Closing Balance	2 520 318	1 447	2 521 765

The inventory disclosed above is the immovable assets that was part of the Western Cape Housing Development Fund (WCHDF). These properties represent pre-1994 properties that are destined for transfer to beneficiaries and municipalities in terms of the Housing Act 107. The intention is not to keep the immovable property hence it is classified as inventory. It is a question of time before transfer takes place.

Inventories for the year ended 31 March 2025	Immovable Assets pre-1994	Assets for Distribution - Furniture and Office Equipment	TOTAL
	R'000	**R'000**	**R'000**
Opening balance	2 975 341	1 380	2 976 721
Add/(Less): Adjustments to prior year balances	(145 055)	-	(145 055)
Add: Additions/Purchases – Cash	-	67	67
(Less): Issues	(152 154)	-	(152 154)
Add: Adjustments	159 220	-	159 220
Closing Balance	2 837 352	1 447	2 838 799

WESTERN CAPE GOVERNMENT
INFRASTRUCTURE
VOTE 10
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2026

ANNEXURE 6
MOVEMENT IN CAPITAL WORK IN PROGRESS

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2026

	Opening balance	Current Year CWIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	**R'000**	**R'000**	**R'000**
BUILDINGS AND OTHER FIXED STRUCTURES	6 623 038	3 700 980	(3 273 318)	7 050 700
Non-residential buildings	397 728	241 383	(137 918)	501 193
Other fixed structures	6 225 310	3 459 597	(3 135 400)	6 549 507
LAND AND SUBSOIL ASSETS				
Land	-	-	-	-
COMPUTER SOFTWARE				
Computer Software	-	-	-	-
Total	6 623 038	3 700 980	(3 273 318)	7 050 700

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2025

	Opening balance	Prior period errors	Current Year CWIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000		**R'000**	**R'000**	**R'000**
BUILDINGS AND OTHER FIXED STRUCTURES	5 330 099	(2 307)	3 698 006	(2 402 760)	6 623 038
Non-residential buildings	412 223	(2 150)	197 472	(209 817)	397 728
Other fixed structures	4 917 876	(157)	3 500 534	(2 192 943)	6 225 310
LAND AND SUBSOIL ASSETS					
Land	-	-	-	-	-
COMPUTER SOFTWARE					
Computer Software	-	-	-	-	-
Total	5 330 099	(2 307)	3 698 006	(2 402 760)	6 623 038

WESTERN CAPE GOVERNMENT
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ANNEXURE 7A
INTER ENTITY ADVANCES PAID (Note 10)

	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2026	31/03/2025	31/03/2026	31/03/2025	31/03/2026	31/03/2025
ENTITY	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
OTHER ENTITIES						
Cape Winelands District Municipality	-	-	1 542	15 219	1 542	15 219
Central Karoo District Municipality	-	-	-	10 602	-	10 602
Garden Route District Municipality	-	-	-	37 751	-	37 751
Overberg District Municipality	-	-	-	10 944	-	10 944
West Coast District Municipality	-	-	4 999	36 109	4 999	36 109
Total	-	-	6 541	110 625	6 541	110 625

ANNEXURE 7B

INTER ENTITY ADVANCES RECEIVED (Note 14)

	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2026	31/03/2025	31/03/2026	31/03/2025	31/03/2026	31/03/2025
ENTITY	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
OTHER ENTITIES						
Current						
City of Cape Town (USDG and ISUPG Funds for Bulk Services)	60 578	-	-	141 265	60 578	141 265
Total	60 578	-	-	141 265	60 578	141 265

ANNEXURE 8

ADDITIONAL INFORMATION ON IMMOVABLE ASSETS

	Note	2025/26	2024/25
Properties deemed vested		Number	Number
Land parcels		754	754
Facilities			
Schools		130	130
Clinics		51	51
Dwellings		2	2
Other		148	148

ANNEXURE 9

DEPARTMENT OF HUMAN SETTLEMENTS HOUSING RELATED EXPENDITURE CLASSIFICATION

	Note	2025/26 R'000	2024/25 R'000
Inventories			
Assets for distribution		1 668 340	1 688 188
Subtotal		1 668 340	1 688 188
Transfers and subsidies			
Municipal Bank Accounts		85 594	105 281
H/H: Oth/T: Nat Housing Prog Hshlds		275 845	243 194
Subtotal		361 439	348 475
TOTAL		2 029 779	2 036 663

WESTERN CAPE GOVERNMENT
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ANNEXURE 10

ANALYSIS OF PREPAYMENTS AND ADVANCES (NOTES 10)

Name of Entity	Sector of the entity	Description of the item paid for	Classification category	Total Contract Value	Balance outstanding as at 31 March 2025	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 2026
				R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Advances									
Cape Winelands DM	Construction-driven	Roads Maintenance and Construction (Current/Capital)	Other institutions	N/A	15 219	19 662	(33 340)	-	1 542
Central DM	Construction-driven	Roads Maintenance and Construction (Current/Capital)	Other institutions	N/A	10 602	11 433	(22 035)	-	-
Garden Route DM	Construction-driven	Roads Maintenance and Construction (Current/Capital)	Other institutions	N/A	37 751	35 493	(73 244)	-	-
Overberg DM	Construction-driven	Roads Maintenance and Construction (Current/Capital)	Other institutions	N/A	10 944	24 673	(35 617)	-	-
West Coast DM	Construction-driven	Roads Maintenance and Construction (Current/Capital)	Other institutions	N/A	36 109	33 302	(64 412)	-	4 999
TOTAL PREPAYMENTS AND ADVANCES					110 625	124 563	(228 648)	-	6 541

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