

## Annual Report 2009/2010



AARTO - Make roads safe



**Road Traffic**  
Management Corporation



**VISION:** Safe, Secure and Sustainable Road User Environment in South Africa

**MISSION:** To facilitate, co-ordinate and regulate road traffic management through the principles of co-operative governance and partnerships.

**VALUES:**

- Integrity
- Accountability
- Transparency
- Mutual Respect and Trust
- Equity and Fairness
- Teamwork



**Road Traffic**  
Management Corporation





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# **SECTION 1**

## **CHAIRPERSON OF THE SHAREHOLDERS COMMITTEE**

### **MINISTER OF TRANSPORT**



**Mr. Sibusiso Joel Ndebele**  
Chairperson of the Shareholders Committee  
Minister of Transport





## SECTION 1

## CEO'S REPORT



I have been asked to take this daunting task of a caretaker Chief Executive Officer, at a time when the RTMC is facing major challenges, and I would like to present a message of hope with regard to the affairs of the Corporation going forward and to acknowledge the errors of the past. There is an urgency that is necessitated in plotting the direction that takes us from a dark past into a future that is relevant and effective. There is a responsibility to deliver on our mandate in the most efficient manner; supported by adequate business controls and sound governance principles. It is these mistakes of the past in this documented format that assist in never ever having to repeat the same mistakes again in the current time and in the future. This annual report serves as a good basis from which to lay a solid foundation.

As a committed and dedicated public servant, it is disheartening to present the financial position and standing of the RTMC for the year ended 31 March 2010. Firstly, it is a qualified financial report, which is unsettling in many ways; this tells a tale of an entity that was not soundly managed with a lack of controls and where there were controls these were not strong enough to bind the cords that guide the entity. Secondly the image of the RTMC has been tainted. The corporate governance failures that included the lack of ethical and professional integrity of the entity have left a pessimistic mark on the minds of our Stakeholders, Parliament and the broader society, the most important of which is the South African citizenry. Rightfully there should be accountability and strengthened focus on redefining and reconstructing the business of RTMC, which is to save lives by making roads safe in South Africa.

I must stress that some of the challenges facing the RTMC are part of its DNA, due to its founding legislation, the RTMC Act. There is also inadequate funding to deal with the set mandate of the RTMC, which inhibits the ability of the corporation to achieve. To give a perspective to this matter, South Africa loses on average 14000 people and thousands injured as a result of road crashes on an annual basis. It is estimated that the cost is in the region of R 100 billion. The RTMC had an allocated budget of R83 million in this year of reporting. The majority of this allocation is spent on operations, in the main compensation of employees that accounts for more than 70% of the budget.

This annual report includes the operations of the Road Traffic Infringement Agency (RTIA), which was incubated within RTMC and will report as a separate entity going forward. I would like to wish the leadership of RTIA and their Accounting Authority well in the corporatization process. They will continue to be a key stakeholder and partner for RTMC. We, acknowledge the adverse finding by the Auditor-General on this matter and commit to ensuring that RTIA will have its own financial statements going into the future whilst we continue to provide administrative support based on an SLA to be concluded with them.

The accident statistics remains a challenge for the RTMC, we intent that we will rectify this situation in the next financial year ending 2012. The challenges are both on the systems and human resource capacity, which cannot cope with the demands from our stakeholders. To this end we will be adopting a new 30-day methodology, to account for accident fatalities in line with the Moscow declaration. This will assist us to assess the impact of our programmes, and compare our statistics with other countries globally. We have committed to working with the Road Accident Fund, South African Police Services, Statistics South Africa, Automobile Association, Emergency Services, SAVRALA, SAIA, and other stakeholders to ensure that this task is competently, effectively and efficiently executed.

We also intend to implement AARTO in line with the MAKE ROADS SAFE campaign; that the RTMC has embarked upon in line with the United Nations Declaration of 2011 to 2020, as a decade of action against road fatalities. This campaign seeks to reduce road deaths by half in the said decade. South Africans are encouraged to intensify the struggle against road fatalities and injuries and take the responsibility as road users to ensure that we do our part.





### Acknowledgements

The Shareholder as represented by the Shareholder's Committee which is chaired by the Honourable Minister of Transport, Dr. Sbusiso Ndebele and comprising of the Provincial Members of the Executive Committee (MECs) of Transport and the local government representatives, has been supportive and decisive in their actions in leading the Corporation from its past state to the current transitional state and with this in mind it is imperative to emphasize the significance of the Committee and to recognize the efforts that have been extended in reshaping the RTMC.

The Minister has shown passion and dedication in the affairs of the Corporation, through his vision, will and wealth of knowledge that is related to the transport sector, the corporation is in a better position to implement its mandate. To the Director-General of the Department of Transport, Mr. George Mahlalela, for his wisdom and understanding. The team transport, including the other sister agencies in the department for their support and encouragement in trying times.

Our partners and sponsors, BP, Brandhouse, RAF, Transnet, SANRAL, SAIA, AA, Netcare 911, ER24 and all the others, we could not have achieved the little that was achieved without your input and insight, and we promise to do it better until our roads in South Africa are safe.

It would be unfair to say that all the men and women that hold positions in the RTMC have not made a positive contribution. It is unfortunate that there will be unsung heroes in the middle of a corporate failure. There are men and women within the RTMC who spend time away from family working on difficult assignments that affect the broader South African population. They might not be celebrated but their contribution touches the lives of the workers, school children, old and young and rich and poor who are all customers of the RTMC in the same degree. Our dedicated employees play their role in the provision of that critical link that deliver the supper to South Africans, it is these roads that link us with our places of production and our places of sanctuary, and it is these roads that will lead South Africa into a developed state. I would like to extend gratitude to these dedicated employees of the RTMC for their indelible mark in our service offering.

As disheartening as it is to present an annual report of this nature, we remain committed to the mandate and will show resilience and tenacity towards the achievement of measurable outputs. In this regard we count on our Stakeholders throughout the nine provinces and the broader South African collective. Together we will achieve a corporate form that delivers on mandate and on time; thus saving lives by having safer roads and effective law enforcement. We solemnly commit as the management and staff of the RTMC to **MAKE ROADS SAFE.**

**Mr. Collins Letsoalo**  
**Acting Chief Executive Officer**  
**Accounting Authority**





## SECTION 2

### 2. RTMC Organisational Structure and the Executive Committee

#### 2.1. Organisational Structure







## 2.2. The Executive Management Committee (EXCO)



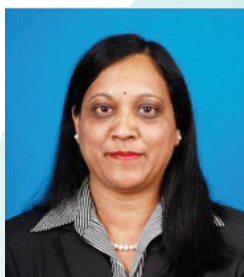
**Mr. CP Letsoalo:**  
Acting Chief Executive  
Officer



**Mr. S Manamela:**  
Chief Financial Officer



**Mr. G Botha:**  
Senior Executive  
Manager: Technical  
Advisor



**Dr. A Lucen:**  
Senior Executive  
Manager: Corporate  
Services



**Mr. H Basheng:**  
Chief Information  
Officer



**Mr. T Tsholetsane:**  
Senior Executive  
Manager: Traffic Law  
Enforcement Education  
and Training



**Mr. A Maepa:**  
Deputy Chief Financial  
Officer



**Mr. M Madzivhandila:**  
Executive Manager  
Road Safety  
Communication and  
Education



**Mr. S Amos:**  
Executive Manager:  
Road Traffic  
Enforcement



**Dr. H Moyana:** Senior  
Executive Manager:  
Traffic Engineering,  
Information and  
Research



**Ms. H Speckmeier:**  
Executive Manager:  
Office of CEO





## SECTION 3 HUMAN RESOURCES OVERVIEW

### 3.1. Staff Complement

RTMC (the Corporation) staff complement grew from 140 at the end of March 2009 to 145 by the end of March 2010. The organisation is confident that it is growing by appointing the right caliber of staff members to deliver on its mandate. Working in a democratic dispensation gives the Corporation the opportunity of achieving a diverse workforce, broadly representative of the South African population. All attempts were made during the financial year to align the RTMC's designated group's demographics to employment equity targets.

### EMPLOYMENT EQUITY STATUS BY SALARY BAND (Excluding Interns & Learners) for 1 April 2009 to 31 March 2010

Table 1 and 2 is based on the prescribed format by the Employment Equity Act, 55 of 1998

Table 1

| PERMANENT STAFF (EXCLUDING INTERNS & LEANERS) |           |          |          |          |           |           |          |          |          |           |            |
|---|-----------|----------|----------|----------|-----------|-----------|----------|----------|----------|-----------|------------|
| Occupational Bands                            | Male      |          |          |          |           | Female    |          |          |          |           | Total      |
|   | African   | Coloured | Asian    | White    | Total     | African   |          | Asian    | White    | Total     |            |
| Senior Management                             | 10        | 2        | 1        | 1        | 14        | 6         | 0        | 1        | 1        | 8         | 22         |
| Highly Skilled - Supervision                  | 18        | 0        | 2        | 4        | 24        | 22        | 0        | 1        | 3        | 26        | 50         |
| Highly Skilled - Production                   | 13        | 2        | 0        | 0        | 15        | 39        | 1        | 0        | 2        | 42        | 57         |
| Skilled                                       | 0         | 0        | 0        | 0        | 0         | 0         | 0        | 0        | 0        | 0         | 0          |
| Lower Skilled                                 | 0         | 0        | 0        | 0        | 0         | 0         | 0        | 0        | 0        | 0         | 0          |
| <b>Total</b>                                  | <b>41</b> | <b>4</b> | <b>3</b> | <b>5</b> | <b>53</b> | <b>67</b> | <b>1</b> | <b>2</b> | <b>6</b> | <b>76</b> | <b>129</b> |

Table 2

| CONTRACT EMPLOYEES           |          |          |          |          |          |          |          |          |          |          |           |
|------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|
| Occupational Bands           | Male     |          |          |          |          | Female   |          |          |          |          | Total     |
|                              | African  | Coloured | Asian    | White    | Total    | African  |          | Asian    | White    | Total    |           |
| Senior Management            | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0         |
| Highly Skilled - Supervision | 2        | 0        | 0        | 0        | 2        | 1        | 0        | 0        | 0        | 1        | 3         |
| Highly Skilled - Production  | 7        | 0        | 0        | 0        | 7        | 6        | 0        | 0        | 0        | 6        | 13        |
| Skilled                      | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0         |
| Lower Skilled                | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0         |
| <b>Total</b>                 | <b>9</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>9</b> | <b>7</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>7</b> | <b>16</b> |





### Interns & Learners

- 6 interns/learners were appointed on 31st March 2010 for a one week period.

## 3.2. Performance Management

- The Corporation's business plan and strategic plan were linked with employees' performance agreements and personal development plans.
- The Corporation's Performance Management and Development policy was implemented. The skills audit for the organisation has been completed and the outcomes of that report will be implemented through the PMDS policy taking into consideration the Personal Development Plans that will be developed to address the training gaps identified.
- The performance assessments for 2008/09 were finalised for personnel during this period, see results of the process on Table 3 below.

### 3.2.1 Performance incentives for 2008/09 financial year as per approved PDMS policy

Table 3 below reflects the number of employees who received performance incentives and the cost per salary band.

Table 3

| Salary Band                                 | Number of Beneficiaries | % of total employees | Cost per Salary Band       |
|---|-------------------------|----------------------|----------------------------|
| Senior Management<br>(Levels 13-16)         | 2                       | 9.1%                 | R 47 826.54<br>before tax  |
| Highly Skilled Supervision<br>(Levels 9-12) | 32                      | 64%                  | R 314 982.36<br>before tax |
| Highly Skilled Production<br>(Levels 6-8)   | 39                      | 68%                  | R 125 489.50<br>before tax |
| Skilled<br>(Levels 3-5)                     | N/A                     | N/A                  | N/A                        |
| Lower Skilled<br>(Levels 1-2)               | N/A                     | N/A                  | N/A                        |
| <b>Total</b>                                | <b>73</b>               |                      | <b>R 488 298.40</b>        |

These figures exclude short term contract workers as they do not qualify for performance incentives.

Development Plans for all non-performance cases were developed and the relevant personnel were provided with necessary support and development to improve their performance.

## 3.3. Occupational Health and Safety

In complying with the OHS Act no 85 of 1993, the CEO was appointed as the responsible person for the implementation of the OHS Act. During the period under review an OHS Legal Compliance audit was conducted together with monthly inspections of first aid boxes and fire extinguishers. A building inspection was also conducted by the Department of Labour and a contravention notice was issued which was handed to the building owners for ratification. Compliant procedures as per OHS Act and Compensation for Occupational Injuries and Diseases Act were displayed. Three Fire Marshalls and two (2) OHS Committee members were appointed and quarterly meetings were held. A Safety file was compiled for compliance as per the Occupational Health and Safety Act. The Corporation was registered with the Compensation Commissioner. Two (2) cases of injury on duty were reported and four (4) cases of Near Misses were reported and rectified.



### 3.4. Utilisation of Annual Leave

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

Tables 4 and 5 below reflects the number of vacation leave utilised by both permanent and contract staff members.

Table 4

| VACATION LEAVE UTILISATION                    |            |           |           |            |             |           |           |            |             |
|---|------------|-----------|-----------|------------|-------------|-----------|-----------|------------|-------------|
| Occupational Bands                            | Male       |           |           |            | Female      |           |           |            | Total       |
|   | African    | Coloured  | Asian     | White      | African     | Coloured  | Asian     | White      |             |
| Senior Management<br>(Levels 13-16)           | 197        | 17        | 19        | 28         | 65          | 0         | 31        | 7          | 364         |
| Highly Skilled - Supervision<br>(Levels 9-12) | 269        | 0         | 15        | 77         | 452         | 0         | 25        | 80         | 918         |
| Highly Skilled - Production<br>(Levels 6-8)   | 264        | 14        | 0         | 0          | 739         | 23        | 0         | 15         | 1055        |
| Skilled<br>(Levels 3-5)                       | 0          | 0         | 0         | 0          | 0           | 0         | 0         | 0          | 0           |
| Lower Skilled<br>(Levels 1-2)                 | 0          | 0         | 0         | 0          | 0           | 0         | 0         | 0          | 0           |
| <b>Total</b>                                  | <b>730</b> | <b>31</b> | <b>34</b> | <b>105</b> | <b>1256</b> | <b>23</b> | <b>56</b> | <b>102</b> | <b>2337</b> |

Table 5

| VACATION LEAVE UTILISATION FOR CONTRACT EMPLOYEES IN THE CORPORATION |            |          |          |          |           |          |          |          |            |
|--|------------|----------|----------|----------|-----------|----------|----------|----------|------------|
| Occupational Bands   | Male       |          |          |          | Female    |          |          |          | Total      |
|  | African    | Coloured | Asian    | White    | African   | Coloured | Asian    | White    |            |
| Senior Management<br>(Levels 13-16)                                  | 0          | 0        | 0        | 0        | 0         | 0        | 0        | 0        | 0          |
| Highly Skilled - Supervision<br>(Levels 9-12)                        | 23         | 0        | 0        | 0        | 6         | 0        | 0        | 0        | 29         |
| Highly Skilled - Production<br>(Levels 6-8)                          | 81         | 0        | 0        | 0        | 90        | 0        | 0        | 0        | 171        |
| Skilled<br>(Levels 3-5)  | 0          | 0        | 0        | 0        | 0         | 0        | 0        | 0        | 0          |
| Lower Skilled<br>(Levels 1-2)  | 0          | 0        | 0        | 0        | 0         | 0        | 0        | 0        | 0          |
| <b>Total</b>   | <b>104</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>96</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>200</b> |





Table 6 below shows the number of vacation leave utilised for seconded employees

Table 6

| VACATION LEAVE UTILISATION FOR SECONDED EMPLOYEES |          |           |          |          |           |          |          |          |           |
|---|----------|-----------|----------|----------|-----------|----------|----------|----------|-----------|
| Occupational Bands                                | Male     |           |          |          | Female    |          |          |          | Total     |
|   | African  | Coloured  | Asian    | White    | African   | Coloured | Asian    | White    |           |
| Senior Management<br>(Levels 13-16)               | 0        | 0         | 0        | 0        | 0         | 0        | 0        | 0        | 0         |
| Highly Skilled - Supervision<br>(Levels 9-12)     | 0        | 0         | 0        | 0        | 26        | 0        | 0        | 0        | 26        |
| Highly Skilled - Production<br>(Levels 6-8)       | 0        | 21        | 0        | 0        | 0         | 0        | 0        | 0        | 21        |
| Skilled<br>(Levels 3-5)                           | 0        | 0         | 0        | 0        | 0         | 0        | 0        | 0        | 0         |
| Lower Skilled<br>(Levels 1-2)                     | 0        | 0         | 0        | 0        | 0         | 0        | 0        | 0        | 0         |
| <b>Total</b>                                      | <b>0</b> | <b>21</b> | <b>0</b> | <b>0</b> | <b>26</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>47</b> |

### Capped Leave

The issue of the liability facing the Corporation with regard to capped leave was managed by documenting the history relating to the matter. Legal opinion was sought and the outcome with regard to this matter will be provided for further implementation. The total monetary value in terms of the liability was R 2 805 891.05 and a payout was made to one employee who reached retirement at the total cost of R 563 837.00 reducing the total monetary value in terms of the liability to R 2 242 054.05.

## 3.5. SKILLS DEVELOPMENT

During the period of May to December 2009, the Corporation embarked on a skills audit project which resulted in the development of the Human Resource Development Strategy to guide and direct training and development within the Corporation. The process of the skills audit included the following:

- I. Identification of skills & knowledge required by all positions.
- II. Assessment of individuals against position requirements in order to identify development gaps.
- III. Identification of key/core competencies for the Corporation to inform strategic training interventions.
- IV. Development of a Human Resource Development Strategy to guide and direct training and development within the Corporation.

Since we at the Corporation have an important role to play in terms of road traffic management and safety in South Africa, it is vital that our developmental needs be appropriately addressed in order to contribute to the success of the Corporation.

The Corporation also engaged in a number of skills development programmes where personnel at different levels were exposed to different training programmes. Some of these programmes were aimed at addressing a developmental need identified during performance assessments.



Table 7 below summarises training interventions provided during the financial year and the number of employees trained per salary band.

Table 7

| OCCUPATIONAL BANDS               | TYPE OF LEARNING PROGRAMME                                 | NUMBER OF EMPLOYEES TRAINED |
|----------------------------------|--|-----------------------------|
| <b>Senior Managers, Managers</b> | Competency Verification Workshop                           | 14                          |
|                                  | Competency Assessment Session                              | 11                          |
|                                  | COSO Framework   | 1                           |
|                                  | Induction and Orientation workshop                         | 8                           |
|                                  | IPM Conference   | 3                           |
|                                  | Workshop on PDP's with managers                            | 5                           |
|                                  | Productive workshop  | 1                           |
|                                  | ACFE Annual Conference                                     | 1                           |
| <b>Highly skilled Production</b> | Ms Word Advanced 2007                                      | 15                          |
|                                  | Access Basic-Intermediate 2009                             | 10                          |
|                                  | Access advanced 2009                                       | 21                          |
|                                  | PowerPoint Basic/Intermediate 2007                         | 17                          |
|                                  | PowerPoint Advanced  | 11                          |
|                                  | Management of discipline in public service                 | 10                          |
|                                  | Competency Verification Workshop                           | 65                          |
|                                  | COSO Framework   | 2                           |
|                                  | First Aid Training Level 2                                 | 4                           |
|                                  | Induction and Orientation Workshop                         | 38                          |
|                                  | PMDS workshop  | 81                          |
|                                  | Workshop on International Travelling & SCM related matters | 15                          |
|                                  | Competency Assessment Session                              | 82                          |
|                                  | Workshop on PDP's with managers                            | 21                          |
|                                  | Workshop on tools & techniques for new audit managers      | 1                           |

### 3.6. Other related achievements:

- An Employee Health and Wellness Programme for the Corporation was successfully launched and implemented in the 2009/10 financial year.
- A significant achievement within the Labour Relations Unit in the 2009/10 performance cycle was the successful negotiation of a Recognition Agreement in which the rules and conditions of engagements with NEHAWU was agreed. It is as a result of the Recognition Agreement that the relationship between the Corporation and NEHAWU has significantly improved.





### 3.7. Appointments

Table 8 below shows the number of appointments per salary band

Table 8

| APPOINTMENTS                                  |          |          |          |          |           |          |          |          |           |
|---|----------|----------|----------|----------|-----------|----------|----------|----------|-----------|
| Occupational Bands                            | Male     |          |          |          | Female    |          |          |          | Total     |
|   | African  | Coloured | Asian    | White    | African   | Coloured | Asian    | White    |           |
| Senior Management<br>(Levels 13-16)           | 1        | 1        | 0        | 0        | 5         | 0        | 0        | 1        | 8         |
| Highly Skilled - Supervision<br>(Levels 9-12) | 5        | 0        | 0        | 0        | 4         | 0        | 0        | 0        | 9         |
| Highly Skilled - Production<br>(Levels 6-8)   | 3        | 0        | 0        | 0        | 3         | 0        | 0        | 1        | 7         |
| Skilled<br>(Levels 3-5)                       | 0        | 0        | 0        | 0        | 0         | 0        | 0        | 0        | 0         |
| Lower Skilled<br>(Levels 1-2)                 | 0        | 0        | 0        | 0        | 0         | 0        | 0        | 0        | 0         |
| <b>Total</b>                                  | <b>9</b> | <b>1</b> | <b>0</b> | <b>0</b> | <b>12</b> | <b>0</b> | <b>0</b> | <b>2</b> | <b>24</b> |

### 3.8. Promotions

Table 9 below shows the number of promotions per salary band

Table 9

| PROMOTIONS                                    |          |          |          |          |          |          |          |          |          |
|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Occupational Bands                            | Male     |          |          |          | Female   |          |          |          | Total    |
|   | African  | Coloured | Asian    | White    | African  | Coloured | Asian    | White    |          |
| Senior Management<br>(Levels 13-16)           | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        |
| Highly Skilled - Supervision<br>(Levels 9-12) | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        |
| Highly Skilled - Production<br>(Levels 6-8)   | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        |
| Skilled<br>(Levels 3-5)                       | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        |
| Lower Skilled<br>(Levels 1-2)                 | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        |
| <b>Total</b>                                  | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> |



### 3.9. Disciplinary Action

Table 10 below shows the number of disciplinary actions per salary band

| DISCIPLINARY ACTION                           |          |          |          |          |          |          |          |          |          |
|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Occupational Bands                            | Male     |          |          |          | Female   |          |          |          | Total    |
|   | African  | Coloured | Asian    | White    | African  | Coloured | Asian    | White    |          |
| Senior Management<br>(Levels 13-16)           | 2        | 0        | 0        | 0        | 1        | 0        | 0        | 0        | 3        |
| Highly Skilled - Supervision<br>(Levels 9-12) | 2        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 2        |
| Highly Skilled - Production<br>(Levels 6-8)   | 0        | 0        | 0        | 0        | 1        | 0        | 0        | 0        | 1        |
| Skilled<br>(Levels 3-5)                       | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        |
| Lower Skilled<br>(Levels 1-2)                 | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        |
| <b>Total</b>                                  | <b>4</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>2</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>6</b> |

### Misconduct and disciplinary hearings finalised

Table 11 below reflects the number of disciplinary hearings finalised

| Outcomes of Disciplinary Hearings/Management Actions | Number   |
|--|----------|
| Correctional counseling                              | 0        |
| Verbal warning                                       | 0        |
| Written warning                                      | 1        |
| Final written warning                                | 0        |
| Suspended without pay                                | 2        |
| Fine   | 0        |
| Demotion   | 0        |
| Dismissal  | 2        |
| Not guilty   | 0        |
| Case withdrawn                                       | 0        |
| <b>Total</b>   | <b>5</b> |

\* One of the noted dismissals is a result of a disciplinary step taken against one individual after he resigned





Table 12 below reflects the total number of disciplinary hearings

|                              |          |
|------------------------------|----------|
| <b>Disciplinary hearings</b> | <b>4</b> |
|------------------------------|----------|

Three (03) of the employees are on suspension with pay

## Grievances lodged

Table 13 below reflects the number of grievances lodged

|  |          |
|--|----------|
| <b>Total number of grievances lodged</b> | <b>7</b> |
|--|----------|

## Disputes lodged

Table 14 below reflects the number of disputes lodged

|                                 | Number |
|---------------------------------|--------|
| Number of disputes upheld       | 5      |
| Number of disputes dismissed    | 1      |
| Total number of disputes lodged | 6      |

## Strike actions

Table 15 below reflects the number of days lost on strike actions

|  | Number |
|--|--------|
| Total number of working days lost                      | 0      |
| Total cost (R'000) of working days lost                | 0      |
| Amount (R'000) recovered as a result of no work no pay | 0      |





### 3.10. Resignations

Table 16 below reflects the number of resignations per salary band

| RESIGNATIONS                                  |          |          |          |          |          |          |          |          |           |
|---|----------|----------|----------|----------|----------|----------|----------|----------|-----------|
| Occupational Bands                            | Male     |          |          |          | Female   |          |          |          | Total     |
|   | African  | Coloured | Asian    | White    | African  | Coloured | Asian    | White    |           |
| Senior Management<br>(Levels 13-16)           | 2        | 0        | 0        | 0        | 1        | 0        | 0        | 0        | 3         |
| Highly Skilled - Supervision<br>(Levels 9-12) | 3        | 0        | 0        | 1        | 1        | 0        | 0        | 0        | 5         |
| Highly Skilled - Production<br>(Levels 6-8)   | 0        | 0        | 0        | 0        | 6        | 0        | 0        | 0        | 6         |
| Skilled<br>(Levels 3-5)                       | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0         |
| Lower Skilled<br>(Levels 1-2)                 | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0         |
| <b>Total</b>                                  | <b>5</b> | <b>0</b> | <b>0</b> | <b>1</b> | <b>8</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>14</b> |

\*Staff resigned voluntarily to take up other positions.

### 3.11. Termination of Service by Death

Table 17 below reflects the number of terminations by death per salary band

| TERMINATION OF SERVICE BY DEATH               |          |          |          |          |          |          |          |          |          |
|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Occupational Bands                            | Male     |          |          |          | Female   |          |          |          | Total    |
|   | African  | Coloured | Asian    | White    | African  | Coloured | Asian    | White    |          |
| Senior Management<br>(Levels 13-16)           | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        |
| Highly Skilled - Supervision<br>(Levels 9-12) | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        |
| Highly Skilled - Production<br>(Levels 6-8)   | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        |
| Skilled<br>(Levels 3-5)                       | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        |
| Lower Skilled<br>(Levels 1-2)                 | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        |
| <b>Total</b>                                  | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> |





## SECTION 4 CORPORATE GOVERNANCE REPORT

### 4.1. Mandate and Legislative Framework of the RTMC

The Corporation has been established in terms of Section 3 of the Road Traffic Management Corporation Act, 1999 (Act 20 of 1999), (hereafter referred to as the Act). The Corporation consists of the following governance structures:

- Shareholders Committee;
- A Chief Executive Officer;
- A Board, subject to the decision of the Shareholders Committee to establish the Board in terms of section 8;
- Managers of functional units in terms of section 19(1) and
- Such professional, technical, administrative and support staff appointed in terms of section 20(1) as may be required for the proper performance of its functions.

The main purpose of the Act is to pool together powers and resources and to eliminate the fragmentation of responsibilities for all aspects of road traffic management across the various levels of Government.

The Corporation is governed by a number of legislative frameworks such as the RTMC Act, AARTO Act, Public Finance Management Act (PFMA), National Land Transport Act and the National Road Traffic Act.

### 4.2. Commitment to Corporate Governance

The Corporation subscribes to the principles contained in the Code of Corporate Practices and Conduct recommended by the 2002 King Report on Corporate Governance for South Africa, and is committed to sound corporate governance. The purpose of the Board is to ensure that the Corporation complies with all relevant regulations and legislation applicable.

During the year under review corporate governance practices were improved by:

- Signing of the Performance Agreement between the Minister and the Board;
- Reviewing the composition and functioning of all Board Committees;
- Ensuring Board Committees are chaired by independent Non Executive Directors;
- Appointment of an external person as an Audit Committee member; and
- Evaluating the functioning and effectiveness of the Board;

#### 4.2.1 The Shareholders Committee

The Shareholders Committee (the Shareholders) is a forum through which the national, provincial and local spheres of government co-operate with each other and with persons or bodies concerned with road traffic matters. It consists of the Minister of Transport who is also the Chairperson, every MEC of Transport, and two representatives nominated by national organisations recognised in terms of section (a) of the Organised Local Government Act, No. 52 of 1997. The Shareholders may establish a Board to which it would delegate certain powers.

The Act requires that the Shareholders should meet at least four times in a year; however, during the year under review, the Shareholders met once as reflected in Table 8 hereunder. Concrete measures have been put in place to ensure that during the 2010/11 financial year, the Shareholders meet the required standards.



The Minister of Transport, as the Chairperson of the Shareholders, had appointed the Corporation as the Shareholders Secretariat in terms of section 17 of the Act; however the Public Entity Oversight Branch residing at the Department of Transport was appointed as the new Secretariat from 23 February 2010.

#### 4.2.2. The RTMC Board

The main purpose of the Board is to ensure effective and efficient functioning of the Corporation by providing strategic direction and leadership to the Corporation. It performs its duties by striving to adhere to its statutory duties and responsibilities imposed by the relevant legislative framework and through the guidelines provided by the King Report on Corporate Governance for South Africa, Code of Good Practice and the Protocol on Corporate Governance in the Public Sector, 2002. The Board collectively provides corporate governance that involves managing the relationships between the management of the Corporation, the Board members, shareholders and stakeholders. These mandates and responsibilities are reflected through the signing of a Performance and Governance Agreement.

The Performance Agreement is linked to the Strategic Plan and dictates budgeting and performance cycles, key performance indicators and measures evaluation and objectives that the Board should implement during a financial year. A key provision in the Performance Agreement requires the Board to ensure that the Corporation submits its MTEF Strategic and Financial Plans, Quarterly and an Annual Report depicting the achievement or non-achievement of the objectives as stipulated in both the Performance Agreement and the Strategic Plan. The Corporation has duly complied with these provisions and submitted all reports and plans as per PFMA requirements.

Non-Executive Directors are required to offer independent counsel and judgment and as such they are expected to timeously inform the Board of conflict of interests so that they can be excluded from the related decision-making process where there is an actual or potential conflict of interest. There were no conflicts of interest declared by Directors in the period under review. Directors are further required to disclose their directorships and shareholdings at other companies on an annual basis and as and when changes occur. The Non-Executive Directors of the Board, excluding Ex officio members, are remunerated on the basis of their attendance and preparation for Board and Board Committee meetings, as determined by the Board resolution which is in line with the National Treasury directives.

The Board of the Corporation was initially established and appointed on a five year term which commenced on 1 January 2007, but was later changed to a three year term in terms of the Transport Agencies General Laws Amendment Act 2007 which was passed. The current Board's term therefore expired on 1 January 2010; however the Shareholders decided to extend its term from 1 January 2010 until 15 April 2010 when a resolution was taken by the RTMC Shareholders Committee to dissolve the Board and Mr. Collins Letsoalo has been appointed as an Accounting Authority.

#### 4.2.2.1. Board Structures

##### 4.2.2.1.1 The Board

The Board of the Corporation is a unitary structure comprising of six independent Non-Executive Directors, one Ex-Officio member and the CEO as the Executive Director. The Chairperson of the Board and the CEO of the Corporation are occupied by two separate people as there are two jobs to be performed. The CEO manages the affairs of the Corporation while the Chairperson guides the Board in overseeing the affairs of the Corporation. This separation of power ensures independence and avoids unfettered power resting on an individual or position. The Board operated under the chairmanship of Dr John Sampson with Mr. Ranthoko Rakgoale as the CEO. The CEO and the management of the Corporation are responsible for implementing the objectives set for the Corporation and running the day to day activities of the Corporation.

Board Directors are jointly and severally liable for conducting affairs of the Corporation in a manner expected of individuals in their position. As a result, the required level of expertise of the Board which related to the transport industry, customers, financial matters and general management skills and experience, was taken into consideration when the individual Directors were appointed.

The Board conducted a self-evaluation of its performance and effectiveness during June 2009 to ensure that they perform consistently and effectively. The Board met nine (9) times during the year of which three (3) were special meetings.





For details on the composition of the Board and changes to such during the financial year ended 31 March 2010, the frequency of meetings and attendance thereof, refer to Table 1 below.

### 4.2.2.1.2 Board Committees

The Board exercised its right to establish Board Committees with the qualification that by so doing, it will not necessarily be exonerated from compliance with its legal responsibilities. These Committee structures divided the work of the Board and allowed Directors to make maximum use of their expertise as there are issues that are too technical and complex to be dealt with by the entire Board. The Committee reports form part of the Board's agenda as the Chairpersons of the Committees report at appropriate Board meetings. The Board established the following Committees:

- Audit Committee chaired by Mr. A Mawela;
- Finance and Risk Committee chaired by Mr. A Mawela;
- Remuneration Committee chaired by Mr. M Mafani;
- Safety Committee chaired by Mr. H van Tonder;
- Corporate Governance Committee chaired by Dr J Sampson; and
- Executive Committee chaired by Mr. R Rakgoale

## Audit Committee

The Audit Committee comprised of two members. The CEO and executive managers as well as internal and external auditors attended meetings on invitation.

Mr. A Mawela, an independent Non-Executive Director of the Board, was appointed as both the Chairperson of the Audit Committee and Finance / Risk Committee. Ms M Mokate was appointed as an external member of the audit committee for a period of three years with effect from 2 October 2006, due to her skills and expertise in the field of audit.

Audit Committee meetings are held at least four times per year, but they only held three meeting during the financial year. Refer to Table 3 below.

The primary role of the Audit Committee was to assist the Board in understanding and discharging their accounting obligations under the PFMA and the Governance Agreement, by overseeing processes that monitor compliance with applicable prescripts, regulations and the Corporation's code of conduct; and also conduct special investigations when the need arose. *Inter alia*, the Committee reviewed accounting policies, the effectiveness of management information systems and the Corporation's continuing viability as a going concern.

## Finance and Risk Committee

The Committee consisted of two independent non-executive directors, with the CEO, CFO and management from the Finance Branch having had standing invitations to the meetings. The Finance and Risk Committee was expected to meet twice as opposed to meetings at least four times as per annual meeting plan. During the financial year they met three times. Refer to Table 4 below.

The Committee's main responsibility was to assist the Board in ensuring that there was sound financial administration, financial management, risk management and internal control systems as well as sound procurement systems.

## Remuneration Committee

The Committee comprised of three (03) non-executive directors and the CEO.



The Committee met three (03) times during the financial year to discuss among others, the finalisation of a bonus scheme requirement and structure, proposed discretionary salary increases; and finalisation of salary increases based on the pronouncement of the Minister of Public Service and Administration. Refer to Table 5 below.

## Safety Committee

This Committee comprised of three non-executive Directors, with the CEO, Senior Executive Manager: Traffic Law Enforcement & Education; Senior Executive Manager: Traffic Engineering, Information and Research and Senior Executive Manager: Technical Advisor as standing invitees.

The Safety Committee met primarily to discuss matters affecting road traffic safety and security in support of the Traffic Law Enforcement and Education, Road Traffic Engineering, Information and Research. Refer to Table 2 below.

## Corporate Governance Committee

The Governance Committee comprised of three non executive directors and the CEO. The committee met three (3) times during the financial year to discuss issues of governance. Refer to Table 7 below.

## Executive Committee

The Executive Committee consisted of Executive Managers and Senior Managers who were standing invitees of the meeting under the leadership of the CEO as the chairperson. The main purpose of the Committee was to provide support to the Board by implementing the Strategic Plan, policies and any other decisions of the Board and monitoring the progress thereof.

### 4.2.3 The Interim Road Traffic Infringement Agency (RTIA)

The RTMC was tasked with the responsibilities of the implementation of the AARTO Act.

The Executive Authority appointed an interim Board for the RTIA. The Board comprised of six (6) members which included an ex officio member nominated by the National Director for Public Prosecutions and the acting Registrar appointed by the interim Board. The acting Registrar who was also the CEO of RTMC assumed overall responsibility for the effective administration of the AARTO Act. The interim Board tendered its resignation to the Minister of Transport on 11 March 2010.

The Corporation provided the following support to the Board:

- Human resources and administration;
- Legal and information technology;
- Secretarial & Board support;
- Corporate Strategy;
- Public relations and corporate communications; and
- Financial support

As at the 31 March 2010 the RTIA was in the process of being scheduled in the PFMA.

For details on the composition of the Board Committees and the interim RTIA Board, frequency of meetings and attendance thereof, refer to Table 9 hereunder.





#### 4.2.4. Company Secretary

The Company Secretary provided administrative and secretariat functions and support to the RTMC Board, interim RTIA Board and the Shareholders Committee.

Mr. T Ramagoma was the Corporations' Company Secretary until he resigned in August 2009, and an acting Company Secretary Mr. R Mukhavhuli, was appointed in the interim, pending the appointment of a permanent incumbent. Ms Mampe Kumalo was subsequently appointed by the Board as Company Secretary with effect from 11 January 2010.

#### 4.2.5. Internal Audit Functions

The Internal Audit department audited the adequacy and effectiveness of controls including the audit of performance information. Any significant or material control weaknesses were reported.

#### 4.2.6. Corporate Social Investments

The Corporation hosted 36 learners from Hillview High School in the 2009 Cell-C take a girl child to work initiative, which is endorsed by the Department of Education. The initiative targets girl children between Grades 10-12. In 2009 the campaign was celebrated under the theme: "Change your world" with the sub-theme for RTMC being: "Show her what she could be". The main aim of the Corporation was to inspire girl children to follow careers in the road traffic management field. Learners were allocated to various functional units wherein some staff job shadowed them for the day. A few children from the group had an opportunity to sit in at a Board meeting, while others were taken on the road to complement the theoretical knowledge gained during the day.

The Corporation will endeavor to be involved in more corporate social investment projects during the 2010/11 financial year.

#### 4.2.7. Change of Administration

The Minister of Transport, Minister SJ Ndebele has appointed a Ministerial Task Team, under the Chairpersonship of Ms Riah Phiyega to investigate allegations of mismanagement within the Corporation. The Corporation's CEO has subsequently been suspended and Mr. Collins Letsoalo was appointed the acting CEO of the Corporation.

### Governance Structure meetings and attendance schedule

Table 1

| RTMC BOARD OF DIRECTOR'S MEETINGS                 |   |                       |                       |          |          |          |            |          |                       |
|---|---|-----------------------|-----------------------|----------|----------|----------|------------|----------|-----------------------|
| Members   |   | 29/06/09<br>(Sp Mtng) | 29/07/09<br>(Sp Mtng) | 20/07/09 | 20/08/09 | 10/09/09 | 26/11/2010 | 20/01/10 | 04/02/10<br>(SP Mtng) |
| Dr J .D. Sampson<br>(Chairperson)                 | ✓ | ✓                     | ✓                     | ✓        | ✓        | ✓        | ✓          | ✓        | ✓                     |
| Ms T.P Mabaso                                     | ✓ | ✓                     | ✓                     | A        | A        | ✓        | ✓          | ✓        | A                     |
| Mr. R. J. Rakgoale<br>(CEO) Executive<br>Director | ✓ | ✓                     | ✓                     | ✓        | ✓        | ✓        | A          | A        | ✓                     |



| RTMC BOARD OF DIRECTOR'S MEETINGS            |   |                       |                       |          |          |          |            |          |                       |
|--|---|-----------------------|-----------------------|----------|----------|----------|------------|----------|-----------------------|
| Members                                      |   | 29/06/09<br>(Sp Mtng) | 20/07/09<br>(Sp Mtng) | 29/07/09 | 20/08/09 | 10/09/09 | 26/11/2010 | 20/01/10 | 04/02/10<br>(SP Mtng) |
| Mr. A Mawela<br>Resigned on<br>16 March 2010 | ✓ | ✓                     | ✓                     | ✓        | ✓        | A        | ✓          | ✓        | ✓                     |
| Mr. H. van Tonder                            | ✓ | ✓                     | ✓                     | ✓        | ✓        | ✓        | ✓          | ✓        | ✓                     |
| Mr. T.M. Malaza                              | ✓ | ✓                     | ✓                     | A        | A        | ✓        | ✓          | ✓        | ✓                     |
| Mr. M. Mafani                                | ✓ | ✓                     | ✓                     | ✓        | ✓        | ✓        | ✓          | ✓        | ✓                     |
| Ms E.M. du Toit                              | ✓ | ✓                     | ✓                     | A        | ✓        | ✓        | ✓          | ✓        | ✓                     |

Table 2

| SAFETY COMMITTEE MEETINGS    |          |          |          |
|------------------------------|----------|----------|----------|
| Members                      | 30/04/09 | 23/07/09 | 19/11/09 |
| Mr. van Tonder (Chairperson) | ✓        | ✓        | ✓        |
| Ms E. M. du Toit             | ✓        | ✓        | ✓        |
| Ms T. Mabaso                 | A        | ✓        | A        |

Table 3

| AUDIT COMMITTEE MEETINGS      |          |          |                       |
|-------------------------------|----------|----------|-----------------------|
| Members                       | 11/05/09 | 25/05/09 | 27/07/09<br>(SP Mtng) |
| Mr. A. Mawela (Chairperson)   | ✓        | ✓        | ✓                     |
| Ms M. Mokate                  | ✓        | ✓        | A                     |
| Mr. R. J. Rakgoale (RTMC CEO) | ✓        | A        | ✓                     |

Table 4

| FINANCE AND RISK COMMITTEE MEETINGS |          |          |          |                       |
|-------------------------------------|----------|----------|----------|-----------------------|
| Members                             | 22/05/09 | 29/06/09 | 20/11/09 | 19/01/10<br>(SP Mtng) |
| Mr. A. Mawela (Chairperson)         | ✓        | ✓        | ✓        | ✓                     |
| Mr. T.M. Malaza                     | ✓        | ✓        | ✓        | ✓                     |



Table 5

| REMUNERATION COMMITTEE MEETINGS |          |          |
|---------------------------------|----------|----------|
| Members                         | 17/08/09 | 20/11/09 |
| Mr. M. Mafani (Chairperson)     | ✓        | ✓        |
| Mr. T.M. Malaza                 | ✓        | ✓        |
| Ms E.M. Du Toit                 | ✓        | ✓        |
| Mr. R.J. Rakgoale               | ✓        | A        |

Table 6

| INTERIM RTIA BOARD MEETINGS    |          |          |          |          |          |          |
|--------------------------------|----------|----------|----------|----------|----------|----------|
| Members                        | 04/05/10 | 11/05/09 | 14/05/09 | 16/07/09 | 28/01/10 | 11/03/10 |
| Mr. A. Mawela<br>(Chairperson) | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        |
| Mr. T.M. Malaza                | ✓        | ✓        | ✓        | ✓        | ✓        | A        |
| Dr J.D. Sampson                | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        |
| Adv T. Dicker                  | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        |
| Adv P. du Rand                 | ✓        | ✓        | ✓        | ✓        | ✓        | A        |
| Mr. R.J. Rakgoale (Registrar)  | ✓        | ✓        | ✓        | A        | ✓        | ✓        |

Table 7

| GOVERNANCE COMMITTEE MEETINGS |          |          |          |
|-------------------------------|----------|----------|----------|
| Members                       | 28/10/09 | 09/11/09 | 26/11/09 |
| Dr J.D. Sampson (Chairperson) | ✓        | ✓        | ✓        |
| Ms T. Mabaso                  | ✓        | ✓        | A        |
| Mr. H. Van Tonder             | ✓        | ✓        | ✓        |
| Mr. R.J. Rakgoale             | ✓        | ✓        | A        |

Table 8

| SHAREHOLDERS COMMITTEE MEETINGS |          |  |  |  |  |  |
|---------------------------------|----------|--|--|--|--|--|
| Members                         | 22/09/09 |  |  |  |  |  |
| Hon Min.S. Ndebele              | ✓        |  |  |  |  |  |
| Mr. T.W. Mchunu                 | ✓        |  |  |  |  |  |
| Mr. S.B. Nkosi                  | ✓        |  |  |  |  |  |
| Mr. R. Carlisle                 | ✓        |  |  |  |  |  |
| Mr. T. Manyoni                  | ✓        |  |  |  |  |  |





| SHAREHOLDERS COMMITTEE MEETINGS |          |  |  |  |  |  |
|---------------------------------|----------|--|--|--|--|--|
| Members                         | 22/09/09 |  |  |  |  |  |
| Mr. P. Mabilo                   | ✓        |  |  |  |  |  |
| Dr R.C. Mkasi                   | ✓        |  |  |  |  |  |
| Ms. P. Kekana                   | ✓        |  |  |  |  |  |

| KEY |                     |         |                 |
|-----|---------------------|---------|-----------------|
| ✓   | Present             | -       | Not Applicable  |
| A   | Absent (By apology) | Sp Mtng | Special Meeting |

Table 9

|                                     | Date of Appointment | RTMC Board of Directors |   | Audit Committee |   | Safety Committee |   | Finance & Risk Committee |   | Remuneration Committee |   | Interim RTIA Board |   |
|-------------------------------------|---------------------|-------------------------|---|-----------------|---|------------------|---|--------------------------|---|------------------------|---|--------------------|---|
|                                     |                     | A                       | B | A               | B | A                | B | A                        | B | A                      | B | A                  | B |
| Dr J.D. Sampson (Board Chairperson) | 01/01/2007          | 9                       | 9 | -               | - | -                | - | -                        | - | -                      | - | 6                  | 6 |
| Mr. T.M. Malaza                     | 01/01/2007          | 9                       | 9 | -               | - | -                | - | 4                        | 4 | 2                      | 2 | 6                  | 5 |
| Mr. M. Mafani                       | 01/01/2007          | 9                       | 9 | -               | - | -                | - | -                        | - | 2                      | 2 | -                  | - |
| Ms T.P. Mabaso                      | 01/01/2007          | 9                       | 6 | -               | - | 3                | 1 | -                        | - | -                      | - | -                  | - |
| Ms E.M. Du Toit                     | 01/01/2007          | 9                       | 8 | -               | - | 3                | 3 | -                        | - | 2                      | 2 | -                  | - |
| Mr. A. Mawela                       | 01/01/2007          | 9                       | 8 | 3               | 3 | -                | - | 4                        | 4 | -                      | - | 6                  | 6 |
| Mr. D. Coovadia                     | 01/01/2007          | -                       | - | -               | 0 | -                | - | -                        | - | -                      | - | -                  | - |
| Mr. H. Van Tonder                   | 01/01/2007          | 9                       | 9 | -               | - | 3                | 3 | -                        | - | -                      | - | -                  | - |
| Adv T. Dicker                       | 02/04/2008          | -                       | - | -               | - | -                | - | -                        | - | -                      | - | 6                  | 6 |
| Adv P. du Rand                      | 02/04/2008          | -                       | - | -               | - | -                | - | -                        | - | -                      | - | 6                  | 4 |
| Mr. R.J. Rakgoale                   | 02/04/2008          | 9                       | 7 | 3               | 2 | -                | - | -                        | - | 2                      | 1 | 6                  | 5 |

(1) **Column A** indicates the number of meetings held during the year while the director was a member of the board or committee.

(2) **Column B** indicates the number of meetings attended by the director during the year while the director was a member of the board or committee.

(3) **The sign (-)** indicates that the director is not a member of that board or committee.



## SECTION 5

# STATE OF ROAD TRAFFIC REPORT

### INTRODUCTION

The purpose of the State of Traffic Report is to provide a comprehensive analysis of issues associated with the level of safety on our roads. It is a tool used to plan road safety programmes across the country, as information is consolidated per province, thereby providing critical information for province specific interventions.

### 5.1. Measuring Progress Towards Achieving Target to Reduce Road Fatalities by 50% by 2015

In line with the Millennium Development Goals, one of the goals of the 2015 Road Traffic Safety Management Plan is to reduce by half the rate of road accident fatalities by 2015. In the development of the 2015 Plan it was agreed that the number of fatalities for the year 2007 would be used as the benchmark on which the 50% reduction would be based. Using this benchmark and the 50% target reduction, the maximum allowable number of road fatalities per quarter per province up to the end of 2015 was calculated as continuous reduced target figures over the 8 year period. These set targets for the indicated quarters for each province and the RSA total, are shown as "Target" figures or maximum allowable number of fatalities below.

**TABLE 1: ROLLING 12 MONTH NUMBER OF ROAD FATALITIES PER PROVINCE**

| Month   | Item       | GA     | KZ    | WC     | EC    | FS     | MP    | NW    | LI    | NC     | RSA    |
|---------|------------|--------|-------|--------|-------|--------|-------|-------|-------|--------|--------|
| Mar 09  | Target     | 3,023  | 2,284 | 1,520  | 1,509 | 1,035  | 1,642 | 1,154 | 1,265 | 350    | 13,782 |
|         | Actual     | 2,507  | 2,772 | 1,483  | 1,464 | 865    | 1,830 | 1,132 | 1,338 | 315    | 13,707 |
|         | Difference | -516   | 489   | -37    | -44   | -171   | 189   | -22   | 72    | -34    | -75    |
|         | % Diff     | -17,07 | 21,40 | -2,45  | -2,95 | -16,48 | 11,49 | -1,87 | 5,71  | -9,85  | -0,54  |
| Jun 09  | Target     | 2,973  | 2,246 | 1,495  | 1,484 | 1,018  | 1,615 | 1,135 | 1,244 | 344    | 13,553 |
|         | Actual     | 2,446  | 2,904 | 1,410  | 1,343 | 855    | 1,879 | 1,132 | 1,413 | 297    | 13,679 |
|         | Difference | -527   | 658   | -85    | -141  | -163   | 264   | -3    | 169   | -47    | 126    |
|         | % Diff     | -17,73 | 29,29 | -5,66  | -9,48 | -16,01 | 16,37 | -0,27 | 13,54 | -13,57 | 0,93   |
| Sept 09 | Target     | 2,924  | 2,209 | 1,470  | 1,459 | 1,001  | 1,588 | 1,116 | 1,224 | 338    | 13,329 |
|         | Actual     | 2,288  | 2,926 | 1,294  | 1,447 | 949    | 1,860 | 1,154 | 1,483 | 308    | 13,709 |
|         | Difference | -636   | 717   | -176   | -12   | -52    | 272   | 38    | 259   | -30    | 380    |
|         | % Diff     | -21,75 | 32,47 | -11,97 | -0,82 | -5,21  | 17,14 | 3,43  | 21,19 | -8,93  | 2,85   |
| Dec 09  | Target     | 2,875  | 2,172 | 1,445  | 1,435 | 985    | 1,562 | 1,097 | 1,204 | 333    | 13,108 |
|         | Actual     | 2,485  | 2,854 | 1,285  | 1,543 | 967    | 1,674 | 1,130 | 1,492 | 337    | 13,768 |
|         | Difference | -390   | 681   | -160   | 108   | -17    | 112   | 33    | 288   | 4      | 660    |
|         | % Diff     | -13,58 | 31,37 | -11,08 | 7,53  | -1,74  | 7,20  | 3,02  | 23,95 | 1,31   | 5,03   |
| Mar 10  | Target     | 2,824  | 2,133 | 1,420  | 1,410 | 967    | 1,534 | 1,078 | 1,182 | 327    | 12,875 |
|         | Actual     | 2,426  | 2,795 | 1,307  | 1,517 | 1,098  | 1,651 | 1,204 | 1,554 | 370    | 13,923 |
|         | Difference | -398   | 661   | -113   | 107   | 131    | 118   | 126   | 372   | 43     | 1,048  |
|         | % Diff     | -14,10 | 31,00 | -7,96  | 7,59  | 13,58  | 7,66  | 11,73 | 31,43 | 13,23  | 8,14   |



Also shown in the table above are the "Actual" figures, which reflect the real number of road fatalities recorded per province for the respective quarters as indicated. Both the Target and Actual figures represent the 12-month rolling total fatality figures per province and the whole country.

The differences; as well as the percentage differences in the table above show the difference between the set Target and Actual number of road fatalities. A difference of "0" indicates that the set target of reducing the number of fatalities was met. Differences smaller than "0" (<0) shows achievements better than what is expected or required and differences larger than "0" (>0) shows that the required targets were not achieved and reflects inadequate performance towards reaching the desired goal per quarter and ultimately the 2015 goal.

The information in the table above shows that better performing provinces (differences less than "0") are well on track towards achieving the goal of reducing road fatalities by 50% by the year 2015. The following provinces recorded a decline in road fatalities for the period under review:

- Gauteng continuously improved its performance with reductions of 17,07% and 14,10% in March 2009 and March 2010 respectively;
- Western Cape recorded reductions of 2.45% in March 2009 and 7.96% in March 2010.
- Free State consistently reduced fatalities in March 2009 (16.48%), June 2009 (16.01%), September 2009 (5.21%) and December 2009 (1.74%). However, the province registered a 13.58% increase in March 2010.
- Northern Cape showed declines in March 2009 (9.85%), June 2009 (13.57%) and September 2009 (8.93%).

KwaZulu-Natal, Limpopo and Mpumalanga provinces consistently recorded increases in fatalities for the periods considered in the table above.

Overall, a negligible decrease was only recorded in March 2009 and the other four periods saw increases in fatalities as it is evident in the table above.

## 5.2. Vehicle Population

The national number of registered vehicles increased by 285 070 (3,03%) from 9 393 919 on 31 March 2009 to 9 678 989 vehicles on 31 March 2010. A detailed breakdown per vehicle type is given in the table below.

| Number of<br>Registered Vehicles | Number<br>Registered<br>March 2009 | Number<br>Registered<br>March 2010 | Change         | %<br>Change | % of<br>Group<br>March 2010 | % of<br>Total<br>March 2010 |
|----------------------------------|------------------------------------|------------------------------------|----------------|-------------|-----------------------------|-----------------------------|
| Motorised Vehicles               |                                    |                                    |                |             |                             |                             |
| <b>Motorcars</b>                 | 5,316,921                          | 5,472,090                          | 155,169        | 2,92        | 63,00                       | 56,54                       |
| <b>Minibuses</b>                 | 282,057                            | 282,793                            | 736            | 0,26        | 3,26                        | 2,92                        |
| <b>Buses</b>                     | 43,456                             | 45,858                             | 2,402          | 5,53        | 0,53                        | 0,47                        |
| <b>Motorcycles</b>               | 335,005                            | 367,162                            | 32,157         | 9,60        | 4,23                        | 3,79                        |
| <b>LDV's - Bakkies</b>           | 1,913,901                          | 1,965,316                          | 51,415         | 2,69        | 22,63                       | 20,30                       |
| <b>Trucks</b>                    | 319,800                            | 321,729                            | 1,929          | 0,60        | 3,70                        | 3,32                        |
| <b>Other &amp; Unknown</b>       | 225,333                            | 231,084                            | 5,751          | 2,55        | 2,66                        | 2,39                        |
| <b>Total Motorised</b>           | <b>8,436,473</b>                   | <b>8,686,032</b>                   | <b>249,559</b> | <b>2,96</b> | <b>100,00</b>               | <b>89,74</b>                |
| <b>Towed Vehicles</b>            |                                    |                                    |                |             |                             |                             |
| <b>Caravans</b>                  | 104,226                            | 105,480                            | 1,254          | 1,20        | 10,62                       | 1,09                        |
| <b>Heavy Trailers</b>            | 145,240                            | 146,991                            | 1,751          | 1,21        | 14,80                       | 1,52                        |
| <b>Light Trailers</b>            | 691,510                            | 723,629                            | 32,119         | 4,64        | 72,88                       | 7,48                        |
| <b>Other &amp; Unknown</b>       | 16,470                             | 16,857                             | 387            | 2,35        | 1,70                        | 0,17                        |
| <b>Total Towed</b>               | <b>957,446</b>                     | <b>992,957</b>                     | <b>35,511</b>  | <b>3,71</b> | <b>100,00</b>               | <b>10,26</b>                |
| <b>All Vehicles</b>              | <b>9,393,919</b>                   | <b>9,678,989</b>                   | <b>285,070</b> | <b>3,03</b> |                             | <b>100,00</b>               |





The information above shows, on a percentage basis, an increase in all vehicle types during the period under review. Motorcycles increased by 9,60% to 367 162, followed by buses which increased by 5,53% to 45 858 and light trailers which increased by 4,64% to 723 629. Light motor vehicles increased by 2,92% to 5472 090 and LDV's increased by 2,69% to 1965 316.

The total motor vehicle population per province for March 2009 and March 2010 respectively is given in the table and reflected in the figure below.

| Number of Registered Vehicles per province | Number Registered March 2009 | Number Registered March 2010 | Change  | % Change | % of Total March 2010 |
|--|------------------------------|------------------------------|---------|----------|-----------------------|
| Gauteng                                    | 3,609,740                    | 3,718,277                    | 108,537 | 3,01     | 38,42                 |
| KwaZulu-Natal                              | 1,288,345                    | 1,317,363                    | 29,018  | 2,25     | 13,61                 |
| Western Cape                               | 1,557,952                    | 1,579,358                    | 21,406  | 1,37     | 16,32                 |
| Eastern Cape                               | 643,790                      | 666,304                      | 22,514  | 3,50     | 6,88                  |
| Free State                                 | 529,193                      | 543,472                      | 14,279  | 2,70     | 5,61                  |
| Mpumalanga                                 | 580,403                      | 617,533                      | 37,130  | 6,40     | 6,38                  |
| North West                                 | 530,650                      | 545,864                      | 15,214  | 2,87     | 5,64                  |
| Limpopo                                    | 445,053                      | 475,085                      | 30,032  | 6,75     | 4,91                  |
| Northern Cape                              | 208,793                      | 215,733                      | 6,940   | 3,32     | 2,23                  |
| RSA  | 9,393,919                    | 9,678,989                    | 285,070 | 3,03     | 100                   |

Over the past year from March 2009 to March 2010 the biggest percentage growth in vehicle population was recorded in Limpopo with a growth of 6,75%, followed by Mpumalanga with a 6,40% increase.

The information in the table above shows that 38.42% of all vehicles are registered in Gauteng; 16,32% in Western Cape and 13,61% in KwaZulu-Natal. Not all these vehicles are present in a particular province at one time.

## 5.3. Un-Roadworthy and Un-Licensed Vehicles

Un-roadworthy vehicles are defined as those vehicles not presented for annual and compulsory roadworthiness testing or change of ownership as required in terms of the provisions of the NRTA. Un-licensed vehicles are those vehicles of which the registered owners failed to renew the motor vehicle licence within the period prescribed in the NRTA.

The national number of vehicles that are either un-roadworthy, un-licensed or both, increased by 5,721 (0,73%) from 786,008 vehicles at the end of March 2009 to 791,729 vehicles at the end of March 2010. Details in this regard are provided in the table below by vehicle type.





| NUMBER OF UN-ROADWORTHY, UN-LICENSED VEHICLES OR BOTH |            |            |        |          |
|---|------------|------------|--------|----------|
| Vehicle Type  | March 2009 | March 2010 | Change | % Change |
| Motorcars   | 380,662    | 373,849    | -6,813 | -1,79    |
| Minibuses   | 48,725     | 49,915     | 1,190  | 2,44     |
| Buses   | 5,451      | 5,856      | 405    | 7,43     |
| Motorcycles   | 90,617     | 98,875     | 8,258  | 9,11     |
| LDV's - Bakkies                                       | 121,833    | 122,794    | 961    | 0,79     |
| Trucks  | 52,721     | 54,350     | 1,629  | 3,09     |
| Caravans  | 6,883      | 6,309      | -574   | -8,34    |
| Heavy Trailers  | 20,192     | 21,097     | 905    | 4,48     |
| Light Trailers  | 41,722     | 41,104     | -618   | -1,48    |
| Unknown   | 17,202     | 17,580     | 378    | 2,20     |
| All Vehicles  | 786,008    | 791,729    | 5,721  | 0,73     |

The information in the table above shows that with the exception of light trailers, caravans and motorcars, increases in the number of un-roadworthy and/or un-licensed vehicles were recorded for the rest of the other vehicle types. The biggest increase was recorded for motorcycles, and the biggest decrease was recorded for caravans.

Details on the number of vehicles that are either un-roadworthy, un-licensed or both per province are provided in the table below.

| NUMBER OF VEHICLES THAT IS UN-ROADWORTHY OR UN-LICENSED OR BOTH |         |         |        |        |        |        |        |        |        |         |
|---|---------|---------|--------|--------|--------|--------|--------|--------|--------|---------|
| Year  | GA      | KZ      | WC     | EC     | FS     | MP     | NW     | LI     | NC     | RSA     |
| March 2009  | 322,831 | 117,668 | 97,282 | 51,588 | 47,404 | 50,161 | 48,570 | 37,138 | 13,366 | 786,008 |
| March 2010  | 324,394 | 114,878 | 92,840 | 52,352 | 49,016 | 54,761 | 49,051 | 40,272 | 14,165 | 791,729 |
| Change  | 1,563   | -2,790  | -4,442 | 764    | 1,612  | 4,600  | 481    | 3,134  | 799    | 5,721   |
| % Change  | 0,48    | -2,37   | -4,57  | 1,48   | 3,40   | 9,17   | 0,99   | 8,44   | 5,98   | 0,73    |

The table above shows that only the Western Cape and KwaZulu-Natal recorded decreases in the number of un-roadworthy and/or un-licensed vehicles and all the other seven provinces recorded increases.







## 5.4. Number of Un-Roadworthy Vehicles

The number of vehicles that are un-roadworthy (but licenced) increased by 40,433 (10,15%) from 398,268 vehicles at the end of March 2009 to 438,701 vehicles at the end of March 2010. A detailed breakdown of these vehicles by vehicle type is captured in the table below.

| NUMBER OF UN-ROADWORTHY VEHICLES |                |                |               |              |
|----------------------------------|----------------|----------------|---------------|--------------|
| Vehicle Type                     | March 2009     | March 2010     | Change        | % Change     |
| Motorcars                        | 165,208        | 172,292        | 7,084         | 4,29         |
| Minibuses                        | 31,665         | 35,311         | 3,646         | 11,51        |
| Buses                            | 4,221          | 4,662          | 441           | 10,45        |
| Motorcycles                      | 60,772         | 78,332         | 17,560        | 28,89        |
| LDV's - Bakkies                  | 54,933         | 58,519         | 3,586         | 6,53         |
| Trucks                           | 40,361         | 42,978         | 2,617         | 6,48         |
| Caravans                         | 2,884          | 3,319          | 435           | 15,08        |
| Heavy Trailers                   | 15,997         | 17,232         | 1,235         | 7,72         |
| Light Trailers                   | 12,687         | 14,952         | 2,265         | 17,85        |
| Unknown                          | 9,540          | 11,104         | 1,564         | 16,39        |
| <b>All Vehicles</b>              | <b>398,268</b> | <b>438,701</b> | <b>40,433</b> | <b>10,15</b> |

The table above shows that there was an increase in the number of un-roadworthy vehicles for all types. The biggest increase was recorded in the motorcycle category, which increased by 17,560 (28,89%) from 60,772 at the end of March 2009 to 78,332 at the end of March 2010. Motorcycles are followed by light trailers with an increase of 17,85%.

A provincial breakdown of the number of vehicles that were un-roadworthy is provided in the table below.

| NUMBER OF UN-ROADWORTHY VEHICLES |         |        |        |        |        |        |        |        |       |         |
|----------------------------------|---------|--------|--------|--------|--------|--------|--------|--------|-------|---------|
| Year                             | GA      | KZ     | WC     | EC     | FS     | MP     | NW     | LI     | NC    | RSA     |
| March 2009                       | 171,407 | 59,777 | 45,443 | 21,498 | 24,685 | 26,929 | 24,586 | 17,561 | 6,382 | 398,268 |
| March 2010                       | 185,002 | 64,714 | 45,673 | 24,851 | 28,622 | 32,985 | 27,792 | 21,699 | 7,363 | 438,701 |
| Change                           | 13,595  | 4,937  | 230    | 3,353  | 3,937  | 6,056  | 3,206  | 4,138  | 981   | 40,433  |
| % Change                         | 7,93    | 8,26   | 0,51   | 15,60  | 15,95  | 22,49  | 13,04  | 23,56  | 15,37 | 10,15   |

The table above shows that all provinces recorded increased in the number of un-roadworthy vehicles. On a percentage basis, the biggest increase was recorded in Limpopo where the number of un-roadworthy vehicles increased by 4,138 (23,56%) from 17,561 in 2009 to 21,699 at the end of March 2010. Other provinces that registered increased number of un-roadworthy vehicles are Mpumalanga (22,49%) followed by the Free State with an increase of 15,95%. This is a concerning observation since the increase in the number of un-roadworthy vehicles militate against all road safety efforts in the country.





## 5.5. Number of Un-Licensed Vehicles

It is encouraging to note that on a national basis, the number of un-licensed vehicles decreased by 30,947 (8,94%) from 346,023 vehicles at the end of March 2009 to 315,076 vehicles at the end of March 2010. Details on the number of un-licensed vehicles by type are given in the table below.

| NUMBER OF UN-LICENCED VEHICLES |                |                |                |              |
|--------------------------------|----------------|----------------|----------------|--------------|
| Vehicle Type                   | March 2009     | March 2010     | Change         | % Change     |
| Motorcars                      | 196,036        | 180,704        | -15,332        | -7,82        |
| Minibuses                      | 13,426         | 11,241         | -2,185         | -16,27       |
| Buses                          | 1,003          | 910            | -93            | -9,27        |
| Motorcycles                    | 22,780         | 18,172         | -4,608         | -20,23       |
| LDV's - Bakkies                | 60,760         | 57,953         | -2,807         | -4,62        |
| Trucks                         | 9,931          | 9,088          | -843           | -8,49        |
| Caravans                       | 3,759          | 2,802          | -957           | -25,46       |
| Heavy Trailers                 | 3,480          | 3,224          | -256           | -7,36        |
| Light Trailers                 | 27,884         | 25,094         | -2,790         | -10,01       |
| Unknown                        | 6,964          | 5,888          | -1,076         | -15,45       |
| <b>All Vehicles</b>            | <b>346,023</b> | <b>315,076</b> | <b>-30,947</b> | <b>-8,94</b> |

The table above shows that decreases in the number of un-licensed vehicles were recorded for all vehicle types. On a percentage basis the biggest decreases were recorded for caravans (25.46%) and motorcycles (20.23%).

The table below provides the number of vehicles that were un-licensed per province.

| NUMBER OF UN-ROADWORTHY VEHICLES |         |        |        |        |        |        |        |        |       |         |
|----------------------------------|---------|--------|--------|--------|--------|--------|--------|--------|-------|---------|
| Year                             | GA      | KZ     | WC     | EC     | FS     | MP     | NW     | LI     | NC    | RSA     |
| March 2009                       | 136,916 | 50,185 | 47,190 | 26,764 | 19,802 | 20,379 | 20,966 | 17,443 | 6,378 | 346,023 |
| March 2010                       | 126,595 | 43,077 | 42,444 | 24,145 | 17,945 | 19,061 | 18,966 | 16,564 | 6,279 | 315,076 |
| Change                           | -10,321 | -7,108 | -4,746 | -2,619 | -1,857 | -1,318 | -2,000 | -879   | -99   | -30,947 |
| % Change                         | -7,54   | -14,16 | -10,06 | -9,79  | -9,38  | -6,47  | -9,54  | -5,04  | -1,55 | -8,94   |

The table above shows that the biggest decrease in the number of un-licensed vehicles were recorded in KwaZulu-Natal (14,16%), followed by the Western Cape with a 10,06% decrease.





## 5.6. Driver Population

### 5.6.1. Learner Driving Licences

The national number of learner driving licences issued increased by 42,333 (3,36%) from 1,258,438 at the end of March 2009 to 1,300,771 at the end of March 2010. The table below disaggregates the learner driving licences issues by province.

| NUMBER OF LEARNERS LICENCES ISSUED PER PROVINCE |         |         |         |         |        |        |        |         |        |           |
|---|---------|---------|---------|---------|--------|--------|--------|---------|--------|-----------|
| Year  | GA      | KZ      | WC      | EC      | FS     | MP     | NW     | LI      | NC     | RSA       |
| March 2009                                      | 407,044 | 183,954 | 170,343 | 107,203 | 86,047 | 90,571 | 81,293 | 101,583 | 30,400 | 1,258,438 |
| March 2010                                      | 415,818 | 191,573 | 189,644 | 111,590 | 77,694 | 93,052 | 83,848 | 107,702 | 29,850 | 1,300,771 |
| Change  | 8,774   | 7,619   | 19,301  | 4,387   | -8,353 | 2,481  | 2,555  | 6,119   | -550   | 42,333    |
| % Change  | 2,16    | 4,14    | 11,33   | 4,09    | -9,71  | 2,74   | 3,14   | 6,02    | -1,81  | 3,36      |

### 5.6.2. Number of Driving Licences Issued

The national number of driving licences issued increased by 376,165 (4,41%) from 8,539,484 at the end of March 2009 to 8,915,649 at the end of March 2010. The table below provides a disaggregation of the driving licences issued by category.

| NUMBER OF DRIVING LICENCES ISSUED |            |            |            |          |
|-----------------------------------|------------|------------|------------|----------|
| Category                          | March 2009 | March 2010 | Change     | % Change |
| A1                                | 121,576    | 416,442    | 294,866    | 242,54   |
| A                                 | 406,175    | 122,423    | -283,752   | -69,86   |
| B                                 | 1,520,221  | 1,665,914  | 145,693    | 9,58     |
| EB                                | 3,616,887  | 15,146     | -3,601,741 | -99,58   |
| C1                                | 1,382,005  | 1,590,966  | 208,961    | 15,12    |
| EC1                               | 606,717    | 3,621,105  | 3,014,388  | 496,84   |
| C                                 | 14,278     | 878,251    | 863,973    | 6051,08  |
| EC                                | 871,625    | 605,402    | -266,223   | -30,54   |
| Total                             | 8,539,484  | 8,915,649  | 376,165    | 4,41     |

Following is a spread of the number of driving licences issued across provinces irrespective of category.

| NUMBER OF DRIVING LICENCES ISSUED PER PROVINCE |           |           |           |         |         |         |         |         |         |           |
|--|-----------|-----------|-----------|---------|---------|---------|---------|---------|---------|-----------|
| Year   | GA        | KZ        | WC        | EC      | FS      | MP      | NW      | LI      | NC      | RSA       |
| March 2009                                     | 3,002,372 | 1,371,639 | 1,409,676 | 632,740 | 477,059 | 515,268 | 451,725 | 511,195 | 167,810 | 8,539,484 |
| March 2010                                     | 3,121,871 | 1,429,195 | 1,470,471 | 657,447 | 494,474 | 547,367 | 469,452 | 551,188 | 174,184 | 8,915,649 |
| Change   | 119,499   | 57,556    | 60,795    | 24,707  | 17,415  | 32,099  | 17,727  | 39,993  | 6,374   | 376,165   |
| % Change                                       | 3,98      | 4,20      | 4,31      | 3,90    | 3,65    | 6,23    | 3,92    | 7,82    | 3,80    | 4,41      |

It is evident from the table above that Limpopo and Mpumalanga registered the highest increases in the number of licences issued with 7.82% and 6.23% increases, respectively.



### 5.6.3. Number of Driving Licence Cards Expired

The table below shows that at the end of March 2010 there was a total of 1,165,582 expired driving licence cards recorded on the National Traffic Information System (NaTIS). This figure represents 13,07% of all driving licences issued.

| March 2010  | NUMBER OF DRIVING LICENCE CARDS ISSUED AND EXPIRED PER PROVINCE |           |           |         |         |         |         |         |         |           |
|-------------|---|-----------|-----------|---------|---------|---------|---------|---------|---------|-----------|
| Category    | GA  | KZ        | WC        | EC      | FS      | MP      | NW      | LI      | NC      | RSA       |
| On system   | 3,121,871   | 1,429,195 | 1,470,471 | 657,447 | 494,474 | 547,367 | 469,452 | 551,188 | 174,184 | 8,915,649 |
| Not expired | 2,741,495   | 1,226,792 | 1,301,004 | 517,469 | 420,628 | 483,096 | 415,050 | 489,570 | 154,963 | 7,750,067 |
| Expired     | 380,376   | 202,403   | 169,467   | 139,978 | 73,846  | 64,271  | 54,402  | 61,618  | 19,221  | 1,165,582 |
| % Expired   | 12,18   | 14,16     | 11,52     | 21,29   | 14,93   | 11,74   | 11,59   | 11,18   | 11,03   | 13,07     |

### 5.6.4. Number of Professional Driving Permits Issued

The national number of Professional Driving Permits (PrDP's) issued increased by 47,037 (6,19%) from 759,424 at the end of March 2009 to 806,461 at the end of March 2010. The number of PrDPs issued disaggregated by category is given in the table below.

| NUMBER OF PRDP'S ISSUED                            |            |            |         |          |
|--|------------|------------|---------|----------|
| Category   | March 2009 | March 2010 | Change  | % Change |
| Goods only (G)                                     | 10,903     | 11,286     | 383     | 3,51     |
| Passengers only (P)                                | 2,596      | 2,243      | -353    | -13,60   |
| Passengers and Goods (P G)                         | 657,195    | 757,096    | 99,901  | 15,20    |
| Dangerous substances and Goods (D G)               | 470        | 168        | -302    | -64,26   |
| Dangerous substances, Passengers and Goods (D P G) | 88,260     | 35,668     | -52,592 | -59,59   |
| Total  | 759,424    | 806,461    | 47,037  | 6,19     |

The table above shows that a significant increase was recorded in the number of the "PG" PrDPs issued. All categories of PrDPs issued per Province are reflected in the table below.

| NUMBER OF PROFESSIONAL DRIVING PERMITS (PRDP'S) ISSUED PER PROVINCE |         |         |         |        |        |        |        |        |        |         |
|---|---------|---------|---------|--------|--------|--------|--------|--------|--------|---------|
| Year  | GA      | KZ      | WC      | EC     | FS     | MP     | NW     | LI     | NC     | RSA     |
| March 2009  | 211,393 | 127,502 | 103,311 | 60,117 | 51,344 | 67,051 | 47,407 | 70,559 | 20,740 | 759,424 |
| March 2010  | 220,851 | 136,860 | 111,113 | 63,138 | 53,189 | 71,634 | 49,824 | 79,424 | 20,428 | 806,461 |
| Change  | 9,458   | 9,358   | 7,802   | 3,021  | 1,845  | 4,583  | 2,417  | 8,865  | -312   | 47,037  |
| % Change  | 4,47    | 7,34    | 7,55    | 5,03   | 3,59   | 6,84   | 5,10   | 12,56  | -1,50  | 6,19    |





### 5.6.5. Number of Expired PrDPs

The table below shows that at the end of March 2010 there was a total of 269,464 expired Professional Driving Permits (PrDPs) recorded on the National Traffic Information System (NaTIS). This figure constitutes 33,41% of all PrDPs issued.

| NUMBER OF PROFESSIONAL DRIVING PERMITS (PRDP'S) ISSUED AND EXPIRED PER PROVINCE |         |         |         |        |        |        |        |        |        |         |
|---|---------|---------|---------|--------|--------|--------|--------|--------|--------|---------|
| Category  | GA      | KZ      | WC      | EC     | FS     | MP     | NW     | LI     | NC     | RSA     |
| On system   | 220,851 | 136,860 | 111,113 | 63,138 | 53,189 | 71,634 | 49,824 | 79,424 | 20,428 | 806,461 |
| Not expired   | 141,633 | 88,177  | 76,406  | 40,876 | 36,949 | 49,164 | 32,249 | 59,263 | 12,280 | 536,997 |
| Expired   | 79,218  | 48,683  | 34,707  | 22,262 | 16,240 | 22,470 | 17,575 | 20,161 | 8,148  | 269,464 |
| % Expired   | 35,87   | 35,57   | 31,24   | 35,26  | 30,53  | 31,37  | 35,27  | 25,38  | 39,89  | 33,41   |

## 5.7. Fatal Road Traffic Crashes and Fatalities

### 5.7.1. Number of Fatal Crashes

Over the 12-month period from 1 April 2009 to 31 March 2010 the national number of fatal crashes increased by 287 (2,69%) from 10,661 crashes over the same period the previous year to 10,948 in 2010. The table below provides a detailed provincial breakdown by province.

| NUMBER OF FATAL CRASHES PER PROVINCE OVER 12 MONTH PERIOD |       |       |        |       |       |       |       |       |       |        |
|---|-------|-------|--------|-------|-------|-------|-------|-------|-------|--------|
| Year  | GA    | KZ    | WC     | EC    | FS    | MP    | NW    | LI    | NC    | RSA    |
| 2008-09   | 2,228 | 2,153 | 1,259  | 1,021 | 678   | 1,186 | 833   | 1,081 | 222   | 10,661 |
| 2009-10   | 2,153 | 2,216 | 1,085  | 1,069 | 762   | 1,277 | 940   | 1,181 | 265   | 10,948 |
| change  | -75   | 63    | -174   | 48    | 84    | 91    | 107   | 100   | 43    | 287    |
| % change  | -3,37 | 2,93  | -13,82 | 4,70  | 12,39 | 7,67  | 12,85 | 9,25  | 19,37 | 2,69   |

It is evident from the table above that with the exception of Gauteng and Western Cape, the other seven provinces recorded increases in the number of fatal crashes. On a provincial percentage basis the biggest increases over the 12-month period from 1 April 2009 to 31 March 2010 were as follows:

- Northern Cape: an increase of 43 (19,37%) from 222 to 265,
- North West: an increase of 107 (12,85%) from 833 to 940; and
- Free State: an increase of 84 (12,39%) from 678 to 762.

In Western Cape, the number of fatal crashes decreased by 174 (13,82%) from 1,259 during 2008-09 to 1,085 during 2009-10. In Gauteng the number of fatal crashes decreased by 75 (3,37%) from 2,228 to 2,153.

### 5.7.2. Number of Fatalities

Over the 12-month period from 1 April 2009 to 31 March 2010, the national number of fatalities decreased by 216 (1,57%) from 13,707 fatalities over the same period the previous year to 13,923 as shown in the table below.

| NUMBER OF FATALITIES PER PROVINCE OVER 12 MONTH PERIOD |       |       |        |       |       |       |       |       |       |        |
|--|-------|-------|--------|-------|-------|-------|-------|-------|-------|--------|
| Year   | GA    | KZ    | WC     | EC    | FS    | MP    | NW    | LI    | NC    | RSA    |
| 2008-09  | 2,507 | 2,772 | 1,483  | 1,464 | 865   | 1,830 | 1,132 | 1,338 | 315   | 13,707 |
| 2009-10  | 2,426 | 2,795 | 1,307  | 1,517 | 1,098 | 1,651 | 1,204 | 1,554 | 370   | 13,923 |
| change   | -81   | 23    | -176   | 52    | 234   | -179  | 72    | 216   | 55    | 216    |
| % change   | -3,23 | 0,81  | -11,86 | 3,57  | 27,05 | -9,79 | 6,37  | 16,15 | 17,34 | 1,57   |

## SECTION 5



With the exception of Gauteng, Western Cape and Mpumalanga, all the other provinces recorded increases in fatalities. On a provincial percentage basis the biggest increases were as follows:

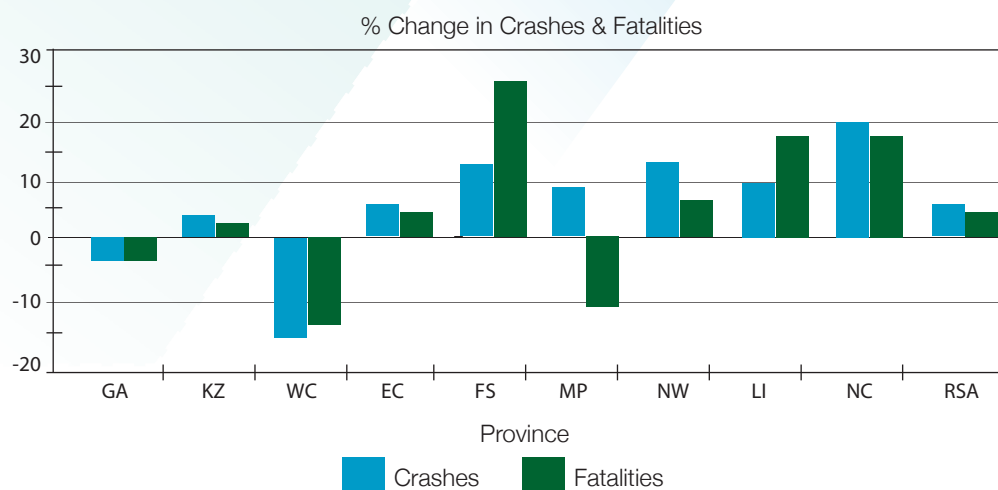
- Free State: an increase of 234 (27,05%) from 865 to 1,098;
- Northern Cape: an increase of 55 (17,34%); from 315 to 370; and
- Limpopo: an increase of 216 (16,15%) from 1338 to 1554

In the Western Cape, the number of fatalities decreased by 176 (11,86%) from 1,483 to 1,307 and in Mpumalanga fatalities decreased by 179 (9,79%) from 1,830 to 1,651.

The national monthly number of fatalities over the 12-month period is shown in the table below

| MONTHLY NUMBER OF FATALITIES |         |         |        |          |
|------------------------------|---------|---------|--------|----------|
| Month                        | 2008-09 | 2009-10 | Change | % change |
| Apr                          | 1,093   | 1,165   | 73     | 6,64     |
| May                          | 1,125   | 1,208   | 83     | 7,37     |
| Jun                          | 1,255   | 1,072   | -183   | -14,60   |
| Jul                          | 1,363   | 1,227   | -137   | -10,03   |
| Aug                          | 1,196   | 1,235   | 39     | 3,25     |
| Sep                          | 1,151   | 1,279   | 128    | 11,12    |
| Oct                          | 1,213   | 1,132   | -81    | -6,70    |
| Nov                          | 1,058   | 1,133   | 75     | 7,10     |
| Dec                          | 1,333   | 1,398   | 65     | 4,86     |
| Jan                          | 1,013   | 971     | -42    | -4,19    |
| Feb                          | 787     | 1,015   | 228    | 29,02    |
| Mar                          | 1,119   | 1,088   | -31    | -2,76    |
| Total                        | 13,707  | 13,923  | 216    | 1,57     |

The percentage changes in the number of fatal crashes and fatalities over the 12-month period from 1 April 2009 to 31 March 2010, relative to the same period the previous year are depicted in the graph below.



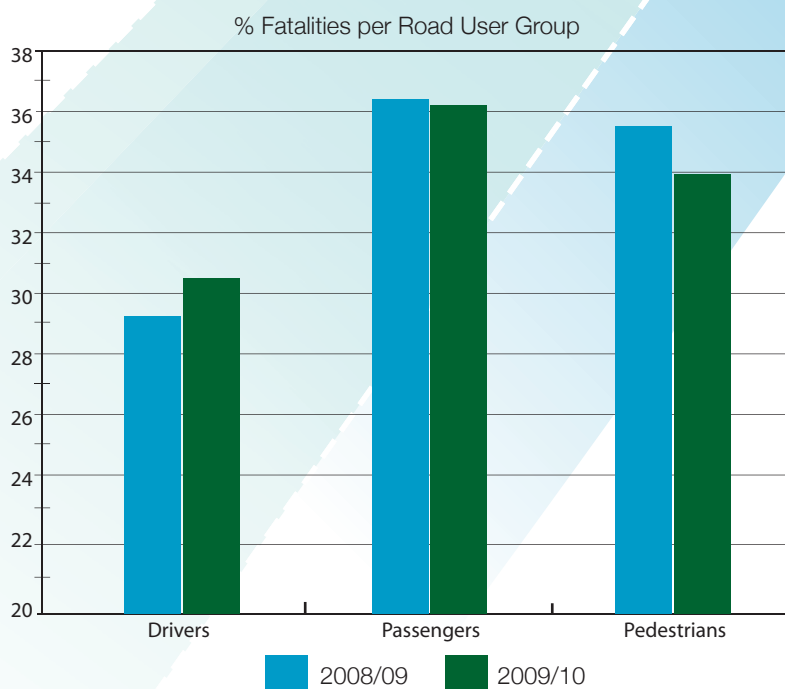


### 5.7.3. Number of Fatalities per Road User Group

The table below shows that driver fatalities increased by 260 (6,63%) to 4,184, passenger fatalities increased by 72 (1,45%) to 5,022 and pedestrian fatalities decreased by 116 (2,41%) to 4,717 over the 12-month period from 1 March 2009 to 31 March 2010.

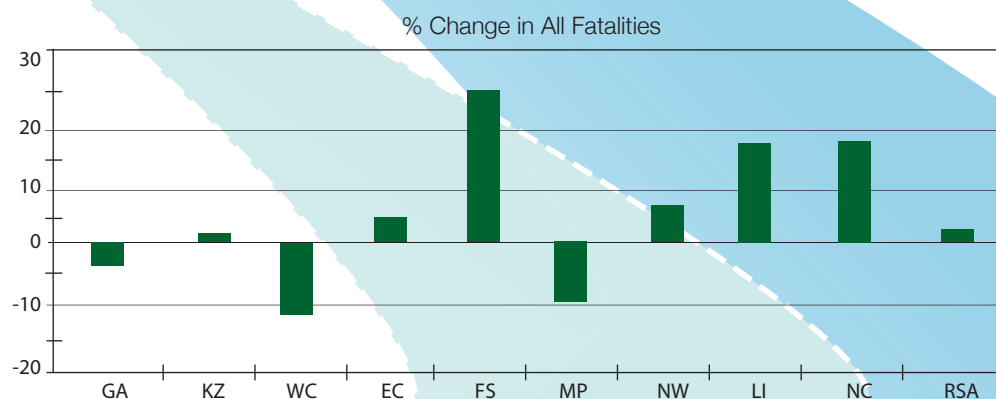
| NO. OF FATALITIES PER ROAD USER GROUP |               |               |            |             |
|---------------------------------------|---------------|---------------|------------|-------------|
| User Group                            | 2008-09       | 2009-10       | Change     | % change    |
| Drivers                               | 3,923         | 4,184         | 260        | 6,63        |
| Passengers                            | 4,950         | 5,022         | 72         | 1,45        |
| Pedestrians                           | 4,833         | 4,717         | -116       | -2,41       |
| <b>Total</b>                          | <b>13,707</b> | <b>13,923</b> | <b>216</b> | <b>1,57</b> |

The percentage fatalities per road user group for the two years are further depicted in the graph below. During 2008-09 and 2009-10 driver fatalities increased from 28,62% to 30,05%, passenger fatalities showed a slight decrease from 36,12% to 36,07% and pedestrians registered a relatively higher decrease from 35,26% to 33,88%.



The graph below shows percentage changes in fatalities per province. Overall, the Western Cape recorded the highest decline (11.86%) in fatalities and the Free State registered the highest increase of 27.05%.

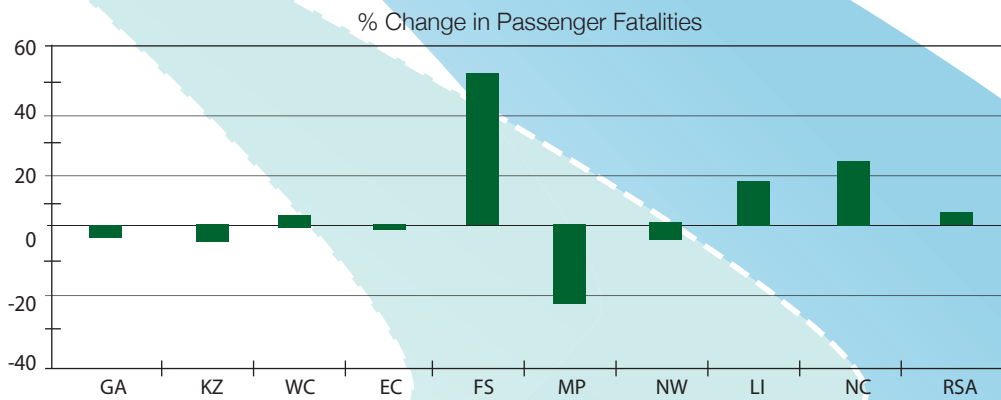




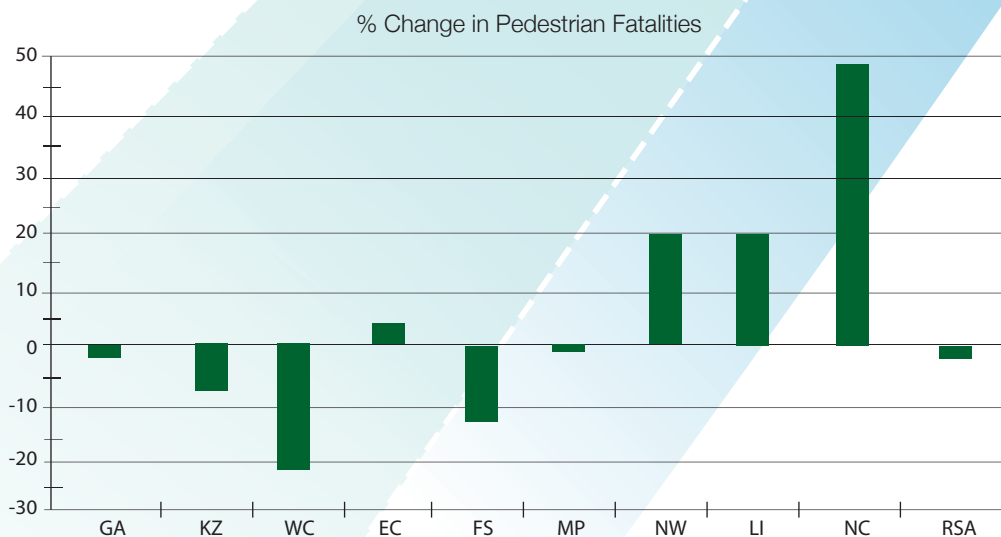
The number of fatalities per road user group per Province for the two respective 12-month periods is shown in table below.

| NUMBER OF FATALITIES PER ROAD USER GROUP OVER 12 MONTH PERIOD |             |       |       |        |       |        |        |       |       |       |        |
|---|-------------|-------|-------|--------|-------|--------|--------|-------|-------|-------|--------|
| Year  | User Group  | GA    | KZ    | WC     | EC    | FS     | MP     | NW    | LI    | NC    | RSA    |
| 200809  | Drivers     | 797   | 576   | 464    | 330   | 296    | 574    | 340   | 415   | 132   | 3,923  |
|   | Passengers  | 563   | 951   | 391    | 701   | 349    | 823    | 480   | 554   | 138   | 4,950  |
|   | Pedestrians | 1,147 | 1,245 | 627    | 434   | 220    | 434    | 312   | 369   | 46    | 4,833  |
|   | Total       | 2,507 | 2,772 | 1,483  | 1,464 | 865    | 1,830  | 1,132 | 1,338 | 315   | 13,707 |
| 200910  | Drivers     | 759   | 725   | 410    | 375   | 377    | 583    | 372   | 449   | 133   | 4,184  |
|   | Passengers  | 553   | 921   | 401    | 693   | 526    | 636    | 459   | 663   | 170   | 5,022  |
|   | Pedestrians | 1,114 | 1,149 | 496    | 449   | 195    | 433    | 373   | 442   | 67    | 4,717  |
|   | Total       | 2,426 | 2,795 | 1,307  | 1,517 | 1,098  | 1,651  | 1,204 | 1,554 | 370   | 13,923 |
| Change  | Drivers     | -38   | 149   | -54    | 45    | 81     | 9      | 32    | 34    | 1     | 260    |
|   | Passengers  | -10   | -30   | 9      | -8    | 177    | -187   | -21   | 109   | 32    | 72     |
|   | Pedestrians | -33   | -96   | -132   | 15    | -25    | -1     | 61    | 73    | 22    | -116   |
|   | Total       | -81   | 23    | -176   | 52    | 234    | -179   | 72    | 216   | 55    | 216    |
| % Change  | Drivers     | -4,76 | 25,86 | -11,58 | 13,71 | 27,51  | 1,60   | 9,39  | 8,22  | 0,95  | 6,63   |
|   | Passengers  | -1,78 | -3,17 | 2,42   | -1,12 | 50,84  | -22,76 | -4,32 | 19,72 | 23,08 | 1,45   |
|   | Pedestrians | -2,87 | -7,72 | -20,96 | 3,44  | -11,32 | -0,25  | 19,56 | 19,72 | 47,30 | -2,41  |
|   | Total       | -3,23 | 0,81  | -11,86 | 3,57  | 27,05  | -9,79  | 6,37  | 16,15 | 17,34 | 1,57   |

The table above shows that the highest increase in the number of driver fatalities was recorded in the Free State (27,51%), followed by KwaZulu-Natal with an increase of 25,86%. The highest decrease in driver fatalities was in the Western Cape (11,58%).



The information in the graph above shows that the highest increase in the number of passenger fatalities was recorded in the Free State with an increase of 50,84%, followed by Northern Cape with an increase of 23,03%. The highest decrease was recorded in Mpumalanga with 22,76%.



The information in the graph above shows that, on a percentage basis, the biggest increase in the number of pedestrian fatalities was recorded in the Northern Cape with an increase of 47,30% followed by Limpopo with 19,72% and North West with an increase of 19,56%. Decreases of more than 20% were also recorded in the Western Cape.

The observed decreases in passenger and pedestrian fatalities in some provinces is very encouraging since these are vulnerable road users that historically contributed the most towards overall road fatalities.

#### 5.7.4. Severity of Fatal Crashes

The severity of fatal crashes decreased by 0,014 (1,09%) from 1,286 during 2008-09 to 1,272 during 2009-10. The individual provincial severity rates are shown in the table below.



| SEVERITY OF CRASHES PER PROVINCE (AV NO. OF FATALITIES/CRASH) |       |        |       |        |       |        |        |       |        |        |
|---|-------|--------|-------|--------|-------|--------|--------|-------|--------|--------|
| Year  | GA    | KZ     | WC    | EC     | FS    | MP     | NW     | LI    | NC     | RSA    |
| 2008-09   | 1,125 | 1,288  | 1,178 | 1,434  | 1,275 | 1,543  | 1,359  | 1,237 | 1,420  | 1,286  |
| 2009-10   | 1,127 | 1,261  | 1,204 | 1,419  | 1,442 | 1,293  | 1,281  | 1,316 | 1,396  | 1,272  |
| change  | 0,002 | -0,026 | 0,027 | -0,016 | 0,166 | -0,250 | -0,078 | 0,078 | -0,024 | -0,014 |
| % change  | 0,14  | -2,05  | 2,28  | -1,08  | 13,04 | -16,22 | -5,74  | 6,32  | -1,70  | -1,09  |

The table above shows that the severity rate in Free State increased by 0,166 (13,04%) from 1,275 to 1,442; followed by Limpopo with an increase of 6,32% from 1,237 to 1,316. Mpumalanga recorded the highest decrease of 16,22% in severity rate followed by North West with a decline of 5,74%.

Monthly severity rates are given in the table and also reflected in the figure below.

| MONTHLY CRASH SEVERITY |         |         |        |          |
|------------------------|---------|---------|--------|----------|
| Month                  | 2008-09 | 2009-10 | Change | % change |
| Apr                    | 1,247   | 1,219   | -0,029 | -2,29    |
| May                    | 1,227   | 1,245   | 0,018  | 1,50     |
| Jun                    | 1,271   | 1,187   | -0,083 | -6,56    |
| Jul                    | 1,286   | 1,249   | -0,037 | -2,88    |
| Aug                    | 1,209   | 1,291   | 0,082  | 6,82     |
| Sep                    | 1,261   | 1,427   | 0,167  | 13,23    |
| Oct                    | 1,448   | 1,269   | -0,179 | -12,35   |
| Nov                    | 1,420   | 1,195   | -0,225 | -15,83   |
| Dec                    | 1,240   | 1,278   | 0,038  | 3,04     |
| Jan                    | 1,301   | 1,237   | -0,064 | -4,92    |
| Feb                    | 1,190   | 1,346   | 0,156  | 13,10    |
| Mch                    | 1,365   | 1,340   | -0,025 | -1,80    |
| Total                  | 1,286   | 1,272   | -0,014 | -1,09    |

The table above shows that the two months with exceptionally high severity rates were September 2009 and February 2010 with rates of 1,427 and 1 346, respectively. The highest rate increase was recorded in September 2009 (13,23%), followed by February 2010 with an increase of 13,10%. These high severity rates could be attributed to a large number of high occupancy vehicles, buses and minibuses involved in fatal crashes due to school holidays in the case of September 2009.

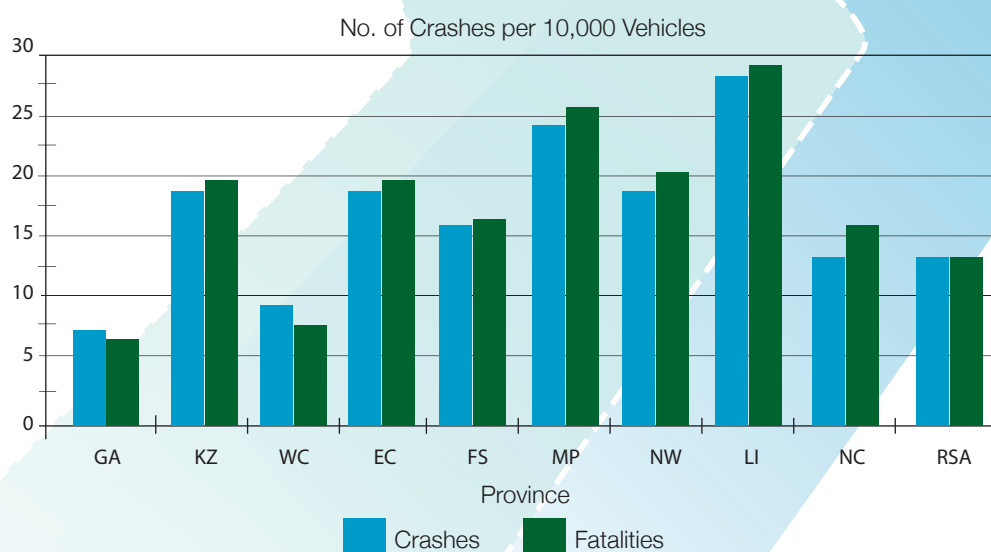
### 5.7.5. Crash and Fatality Rates and Trends per 10,000 Vehicles

The number of fatal crashes per 10,000 registered motorised vehicles increased by 0,04 (0,31%) from 12,86 during 2008-09 to 12,90 during 2009-10. A provincial breakdown in this regard is given in the table and graphically reflected in the figure below.





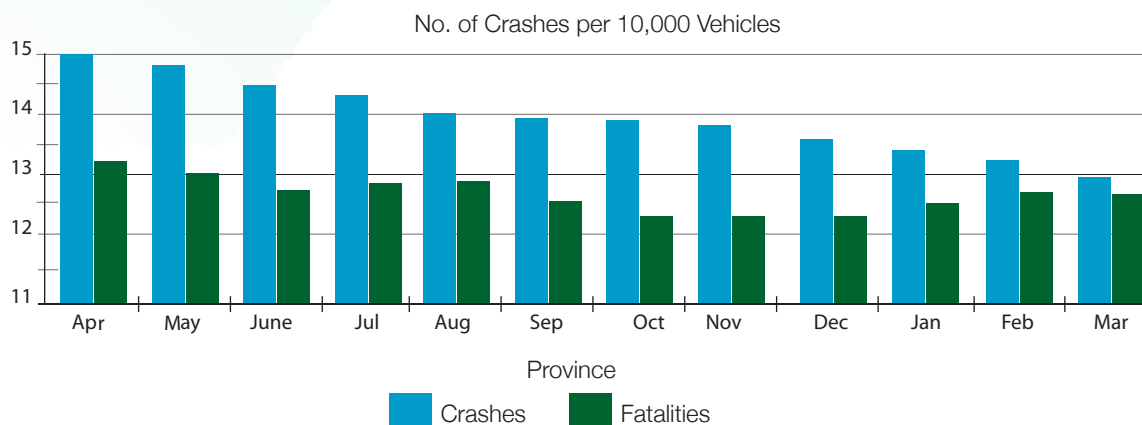
| NO. OF FATAL CRASHES PER 10,000 MOTORISED VEHICLES PER PROVINCE |       |       |        |       |       |       |       |       |       |       |
|---|-------|-------|--------|-------|-------|-------|-------|-------|-------|-------|
| Year  | GA    | KZ    | WC     | EC    | FS    | MP    | NW    | LI    | NC    | RSA   |
| 2008-09   | 6,97  | 18,37 | 9,00   | 17,87 | 15,28 | 24,35 | 18,28 | 27,82 | 12,71 | 12,86 |
| 2009-10   | 6,58  | 18,63 | 7,66   | 18,25 | 16,77 | 24,79 | 20,18 | 28,82 | 14,69 | 12,90 |
| change  | -0,39 | 0,26  | -1,35  | 0,38  | 1,50  | 0,45  | 1,90  | 1,01  | 1,98  | 0,04  |
| % change  | -5,56 | 1,42  | -15,00 | 2,14  | 9,80  | 1,84  | 10,39 | 3,63  | 15,58 | 0,31  |



With the exception of Gauteng and Western Cape, all other Provinces recorded increases in the number of crashes per 10,000 vehicles. On a Provincial percentage basis the highest increases were as follows:

- Northern Cape: increase of 1,98 (15,58%) from 12,71 to 14,69;
- North West: increase of 1,90 (10,39%) from 18,28 to a rate of 20,18

The number of fatal crashes per 10,000 registered motorised vehicles per month for the two respective years 2008-09 and 2009-10 are shown in the figure below.

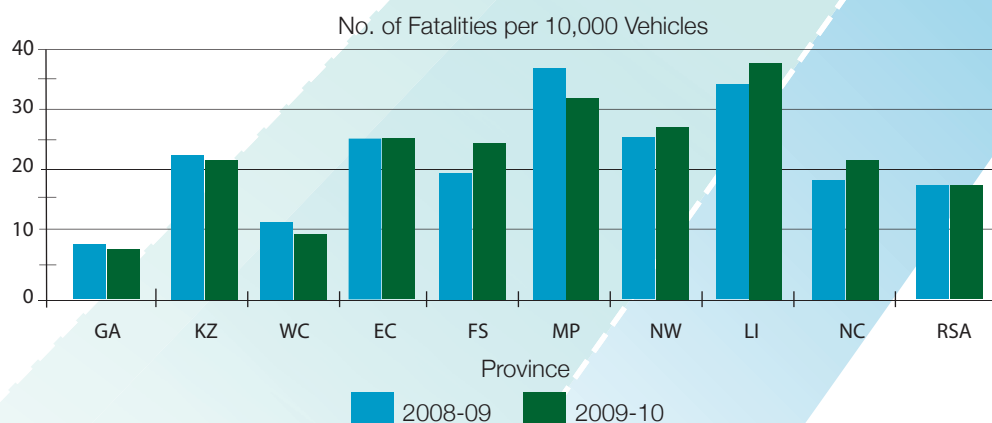


## SECTION 5



The number of fatalities per 10,000 registered motorised vehicles decreased by 0,85 (0,14%) from 16,54 during 2008-09 to 16,40 during 2009-10. These are further disaggregated by province in the table and graphically reflected in the figure below.

| NO. OF FATALITIES PER 10,000 MOTORISED VEHICLES PER PROVINCE |       |       |        |       |       |        |       |       |       |       |
|--|-------|-------|--------|-------|-------|--------|-------|-------|-------|-------|
| Year   | GA    | KZ    | WC     | EC    | FS    | MP     | NW    | LI    | NC    | RSA   |
| 2008-09  | 7,85  | 23,65 | 10,60  | 25,63 | 19,48 | 37,57  | 24,85 | 34,42 | 18,06 | 16,54 |
| 2009-10  | 7,42  | 23,50 | 9,22   | 25,89 | 24,18 | 32,06  | 25,86 | 37,92 | 20,52 | 16,40 |
| change   | -0,43 | -0,16 | -1,38  | 0,26  | 4,70  | -5,52  | 1,01  | 3,50  | 2,46  | -0,14 |
| % change   | -5,48 | -0,68 | -13,02 | 1,01  | 24,13 | -14,68 | 4,06  | 10,16 | 13,62 | -0,85 |



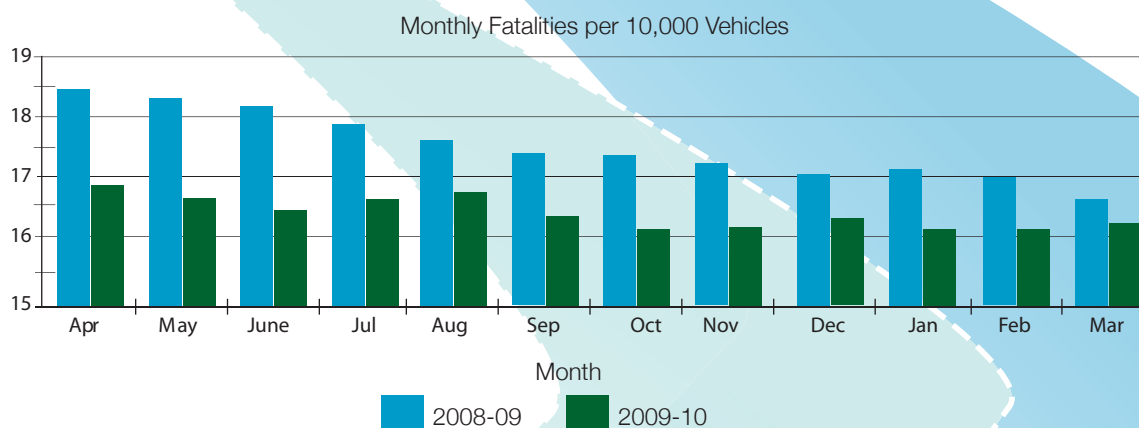
With the exception of Gauteng, KwaZulu-Natal, Western Cape and Mpumalanga, all other Provinces recorded increases in the number of fatalities per 10,000 vehicles. On a Provincial percentage basis the highest increases were recorded as follows:

- Free State: an increase of 4,70 (24,12%) from 19,48 to a rate of 24,18;
- Northern Cape: an increase of 2,46 (13,62%) from 18,06 to a rate of 20,52; and
- Limpopo: an increase of 3,50 (10,16%) from 34,42 to a rate of 37,92.

The figure below depicts a consistent decline in the number of fatalities per 10,000 vehicles for all the months from 2008-09 to 2009-10.







## 5.7.6. Number of Fatalities per 100,000 Human Population

The number of fatalities per 100,000 human population increased by 0,06 (0,21%) from 28,17 during 2008-09 to 28,23 during 2009-10. Provincial detail in this regard is given in the table and graphically reflected in the figure below.







| NO. OF FATALITIES PER 100,000 HUMAN POPULATION PER PROVINCE |       |       |        |       |       |        |       |       |       |       |
|---|-------|-------|--------|-------|-------|--------|-------|-------|-------|-------|
| Year  | GA    | KZ    | WC     | EC    | FS    | MP     | NW    | LI    | NC    | RSA   |
| 2008-09   | 24,21 | 27,34 | 28,41  | 22,08 | 29,89 | 51,06  | 33,06 | 25,31 | 28,01 | 28,17 |
| 2009-10   | 23,04 | 26,74 | 24,39  | 22,81 | 37,85 | 45,78  | 34,90 | 29,73 | 32,24 | 28,23 |
| change  | -1,17 | -0,60 | -4,02  | 0,73  | 7,96  | -5,28  | 1,84  | 4,42  | 4,23  | 0,06  |
| % change  | -4,84 | -2,19 | -14,15 | 3,32  | 26,63 | -10,33 | 5,57  | 17,45 | 15,09 | 0,21  |

With the exception of Gauteng, KwaZulu-Natal, Western Cape and Mpumalanga, all other Provinces recorded increases in the number of fatalities per 100,000 human population. On a Provincial percentage basis the highest increases were as follows:

- Free State: an increase of 7,96 (26,63%) from 29,89 to a rate of 37,85;
- Limpopo: an increase of 4,42 (17,45%) from 25,31 to a rate of 29,73; and
- Northern Cape: an increase of 4,23 (15,09%) from 28,01 to a rate of 32,24.

## 5.7.7. Fatalities per Age Group, Gender, Day-of-Week & Time-of-Day

### 5.7.7.1. Fatalities per Age Group and Gender

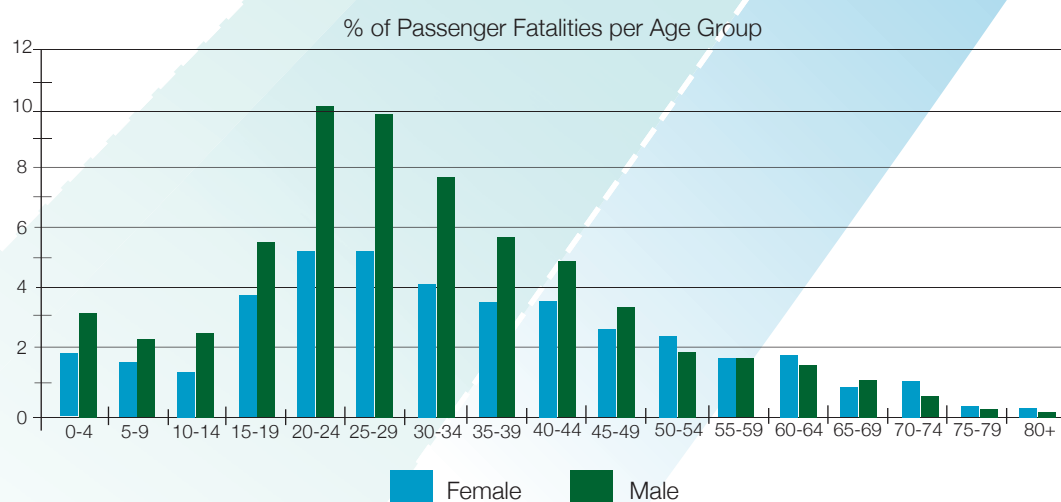
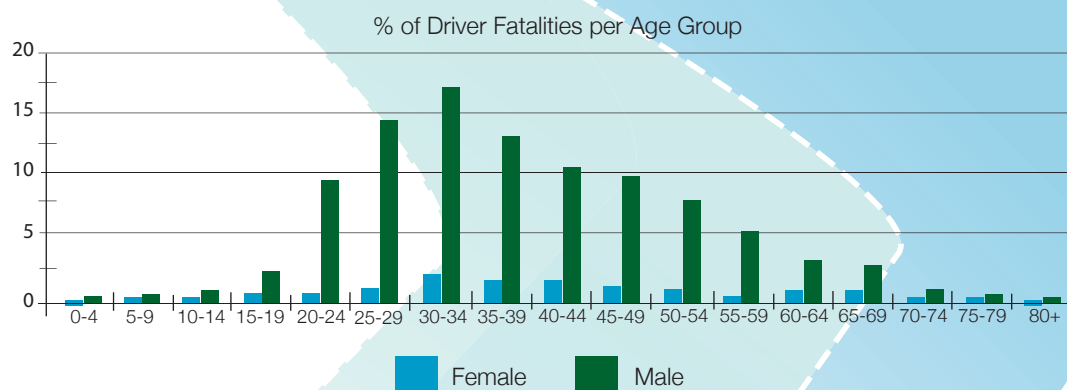
The national percentage of fatalities per age group and gender for the year 2009-10 are given in the table and reflected in the graph below.

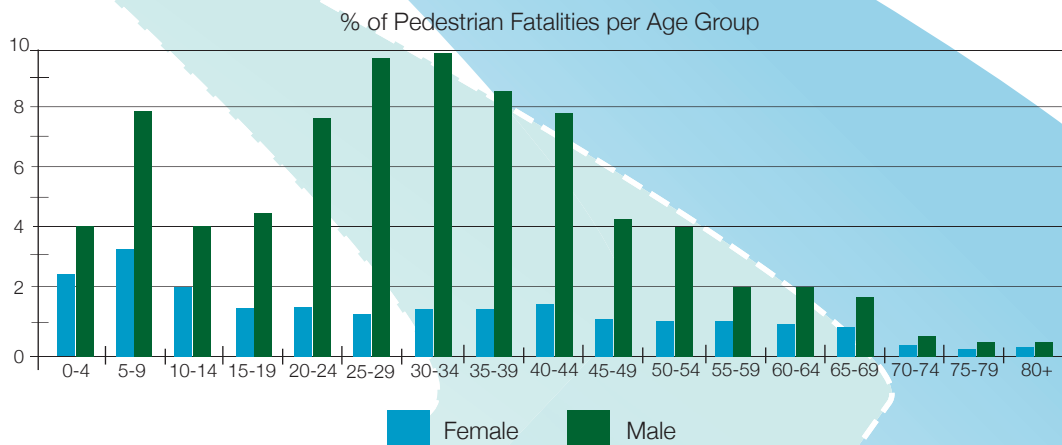
| % ROAD USER FATALITIES PER AGE AND GENDER GROUPS |        |       |           |       |            |       |        |       |        |
|--|--------|-------|-----------|-------|------------|-------|--------|-------|--------|
| Age Group  | Driver |       | Passenger |       | Pedestrian |       | Total  |       | Total  |
|  | Female | Male  | Female    | Male  | Female     | Male  | Female | Male  |        |
| 0-4  | 0,00   | 0,08  | 1,74      | 2,97  | 2,31       | 3,91  | 1,41   | 2,42  | 3,83   |
| 5-9  | 0,00   | 0,16  | 1,31      | 2,35  | 3,25       | 7,68  | 1,57   | 3,50  | 5,07   |
| 10-14  | 0,00   | 0,47  | 1,02      | 2,66  | 2,09       | 3,97  | 1,08   | 2,45  | 3,52   |
| 15-19  | 0,35   | 2,04  | 3,41      | 5,40  | 1,49       | 4,70  | 1,84   | 4,15  | 5,99   |
| 20-24  | 0,56   | 8,73  | 5,23      | 10,25 | 1,76       | 6,88  | 2,65   | 8,65  | 11,30  |
| 25-29  | 0,70   | 13,37 | 5,59      | 9,86  | 1,05       | 9,66  | 2,58   | 10,85 | 13,43  |
| 30-34  | 1,48   | 16,67 | 4,14      | 7,75  | 1,38       | 9,80  | 2,40   | 11,12 | 13,53  |
| 35-39  | 0,99   | 12,58 | 3,27      | 5,55  | 1,38       | 8,61  | 1,94   | 8,70  | 10,64  |
| 40-44  | 1,20   | 10,46 | 3,41      | 4,77  | 1,54       | 7,74  | 2,11   | 7,49  | 9,60   |
| 45-49  | 0,70   | 9,67  | 2,40      | 3,29  | 0,83       | 4,57  | 1,36   | 5,64  | 6,99   |
| 50-54  | 0,63   | 6,92  | 2,40      | 1,80  | 0,88       | 3,91  | 1,35   | 4,05  | 5,40   |
| 55-59  | 0,21   | 5,03  | 1,31      | 1,33  | 0,88       | 2,05  | 0,83   | 2,69  | 3,52   |
| 60-64  | 0,28   | 2,59  | 1,67      | 1,25  | 0,94       | 1,92  | 1,00   | 1,88  | 2,89   |
| 65-69  | 0,21   | 2,20  | 0,87      | 1,02  | 0,61       | 1,59  | 0,58   | 1,57  | 2,15   |
| 70-74  | 0,07   | 0,94  | 0,87      | 0,23  | 0,44       | 0,79  | 0,48   | 0,64  | 1,12   |
| 75-79  | 0,07   | 0,39  | 0,36      | 0,16  | 0,17       | 0,33  | 0,21   | 0,29  | 0,49   |
| 80+  | 0,00   | 0,24  | 0,29      | 0,08  | 0,39       | 0,53  | 0,24   | 0,28  | 0,51   |
| Total  | 7,46   | 92,54 | 39,29     | 60,71 | 21,36      | 78,64 | 23,65  | 76,35 | 100,00 |

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The above information shows that 76,35% of the fatalities that occurred during 2009-10 were male and 23,65% females. 92,54% of all drivers killed in crashes were male and 7,46% female. 78,64% of all pedestrians killed in crashes were male and 21,36% female. The percentage of fatalities per road user group is also reflected in the graphs below.





What is evident across all user groups is that the majority of fatalities are in the age groups 20-44 which impacts very negatively on the country's economy since these are citizens in their productive age.

### 5.7.8. Crashes per Day of Week

The percentage of fatal crashes per day of the week per province during 2009-2010 is given in the table below.

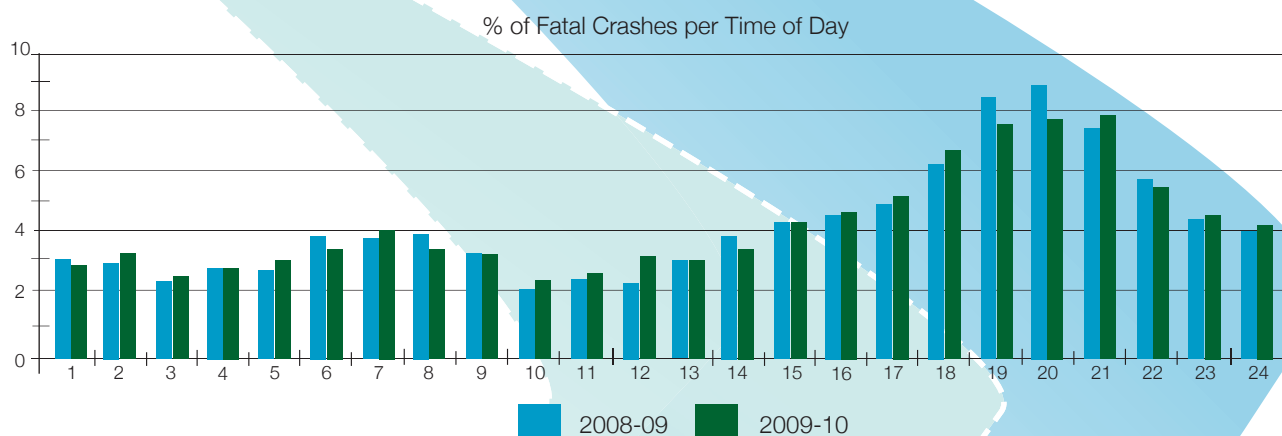
| PERCENTAGE OF FATAL CRASHES PER DAY-OF-WEEK |              |              |             |              |              |              |              |
|---|--------------|--------------|-------------|--------------|--------------|--------------|--------------|
| Province                                    | Sun          | Mon          | Tue         | Wed          | Thu          | Fri          | Sat          |
| Gauteng                                     | 20,34        | 10,81        | 8,79        | 11,34        | 11,21        | 17,25        | 20,27        |
| Kwa-Zulu Natal                              | 15,20        | 11,58        | 11,35       | 11,70        | 11,23        | 15,56        | 23,39        |
| Western Cape                                | 16,67        | 8,61         | 10,24       | 9,48         | 10,35        | 17,43        | 27,23        |
| Eastern Cape                                | 5,60         | 10,82        | 8,69        | 8,87         | 11,88        | 17,73        | 26,42        |
| Free State                                  | 19,15        | 10,44        | 8,32        | 9,28         | 9,86         | 19,34        | 23,60        |
| Mpumalanga                                  | 17,38        | 13,11        | 7,01        | 9,30         | 10,98        | 18,75        | 23,48        |
| North West                                  | 20,97        | 7,57         | 7,18        | 11,26        | 10,29        | 19,42        | 23,30        |
| Limpopo                                     | 21,61        | 7,59         | 10,11       | 9,54         | 10,46        | 17,93        | 22,76        |
| Northern Cape                               | 16,88        | 13,64        | 7,14        | 9,74         | 12,99        | 15,58        | 24,03        |
| <b>Total</b>                                | <b>18,49</b> | <b>10,19</b> | <b>9,11</b> | <b>10,26</b> | <b>10,89</b> | <b>17,63</b> | <b>23,43</b> |

The information above shows that almost one quarter (23,43%) of the weekly crashes happen on a Saturday, and 59,55% of all fatal crashes happened over weekends from Friday to Sunday.

### 5.7.9. Number of Crashes per Time of Day

The percentage of fatal crashes per time of day during 2009-09 and 2009-10 is reflected in the graph below.





The above graph shows the following percentage of fatal crashes for the respective hours of the day during 2009-2010:

- From 06:00 to 12:00: 20,96%;
- From 12:00 to 18:00: 27,45%;
- From 18:00 to 24:00: 37,10%;
- From 24:00 to 06:00: 14,50%

During 2009-10, the majority of the fatal crashes happened between 18:00 in the evening and 06:00 in the morning. This could be as a consequence of inter alia poor visibility, speed, drunk driving and reckless or negligent driving after sunset.

### 5.7.10. Vehicles involved in Fatal Crashes

The table below shows that:

- The national number of all types of vehicles involved in fatal crashes decreased by 882 (5,78%) from 15,254 in 2008-09 to 14,372 in 2009-10;
- The number of motorised vehicles involved in fatal crashes decreased by 801 (5,37%) from 14,920 in 2008-09 to 14,119 in 2009-10; and
- The number of bicycles (non motorised) involved in fatal crashes decreased by 81 (24,34%) from 334 to 252.

| NUMBER OF UN-ROADWORTHY VEHICLES |         |         |        |          |
|----------------------------------|---------|---------|--------|----------|
| Vehicle Type                     | 2008-09 | 2009-10 | Change | % Change |
| <b>Motorcars</b>                 | 7,071   | 6,872   | -199   | -2,82    |
| <b>Minibuses</b>                 | 1,322   | 1,225   | -97    | -7,33    |
| <b>Minibus Taxis</b>             | 439     | 602     | 163    | 37,14    |
| <b>Buses</b>                     | 385     | 392     | 7      | 1,78     |
| <b>Motorcycles</b>               | 307     | 314     | 7      | 2,26     |
| <b>LDV's - Bakkies</b>           | 3,059   | 2,814   | -245   | -8,00    |
| <b>Trucks - rigid</b>            | 408     | 197     | -211   | -51,68   |
| <b>Trucks - articulated</b>      | 524     | 534     | 10     | 1,90     |
| <b>Other and unknown</b>         | 1,405   | 1,169   | -236   | -16,79   |
| <b>Total Motorised</b>           | 14,920  | 14,119  | -801   | -5,37    |
| <b>Bicycle</b>                   | 334     | 252     | -81    | -24,34   |
| <b>Animal drawn</b>              | 0       | 0       | 0      | 0        |
| <b>Total</b>                     | 15,254  | 14,372  | -882   | -5,78    |

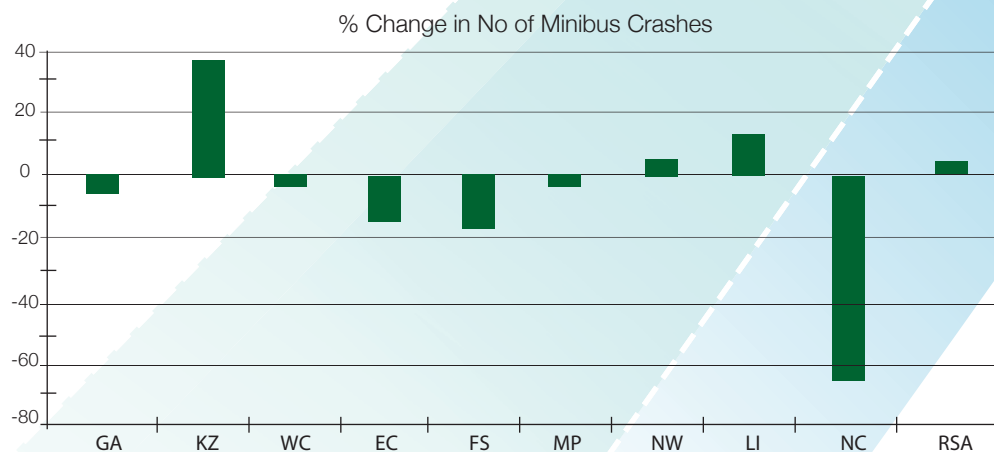
## SECTION 5



The number of all minibuses involved in fatal crashes per province is given in the table and the change reflected in the graph below.

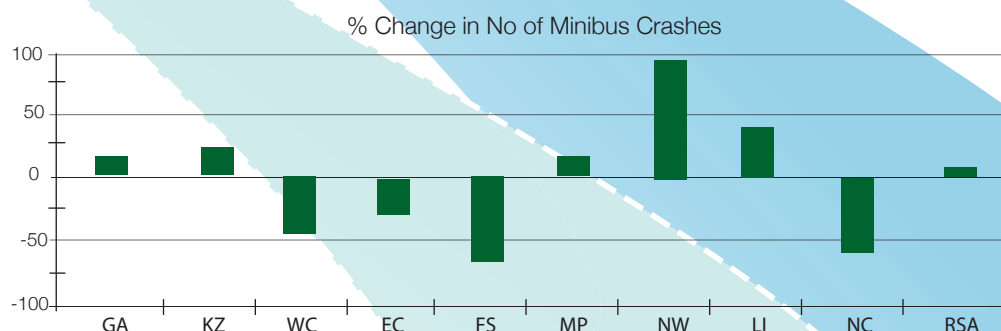
| NUMBER OF MINIBUSES INVOLVED IN FATAL CRASHES PER PROVINCE |       |       |       |        |        |       |      |       |        |       |
|--|-------|-------|-------|--------|--------|-------|------|-------|--------|-------|
| Year   | GA    | KZ    | WC    | EC     | FS     | MP    | NW   | LI    | NC     | RSA   |
| 2008-09  | 273   | 411   | 157   | 273    | 130    | 217   | 129  | 142   | 30     | 1,761 |
| 2009-10  | 255   | 562   | 151   | 228    | 108    | 213   | 137  | 163   | 11     | 1,827 |
| change   | -18   | 151   | -6    | -45    | -22    | -4    | 8    | 21    | -19    | 66    |
| % change   | -6,66 | 36,81 | -3,86 | -16,57 | -17,01 | -1,79 | 6,48 | 14,50 | -63,21 | 3,75  |

The information above shows that the number of all minibuses involved in fatal crashes increased by 66 (3,75%) from 1,761 in 2008-09 to 1,827 in 2009-10. With the exception of KwaZulu-Natal, North West and Limpopo, all other provinces show an decrease in the number of minibuses involved in fatal crashes. On a percentage basis the biggest increase was recorded in KwaZulu-Natal where the number of minibuses increased by 151 (36,81%) from 411 to 562 in 2009, followed by Limpopo with an increase of 14,50%.



The number of buses involved in fatal crashes per province is given in the table and the change depicted in the graph below.

| NUMBER OF BUSES INVOLVED IN FATAL CRASHES PER PROVINCE |       |       |        |        |        |       |        |       |        |      |
|--|-------|-------|--------|--------|--------|-------|--------|-------|--------|------|
| Year   | GA    | KZ    | WC     | EC     | FS     | MP    | NW     | LI    | NC     | RSA  |
| 2008-09  | 27    | 67    | 47     | 69     | 10     | 130   | 12     | 18    | 6      | 385  |
| 2009-10  | 31    | 78    | 25     | 57     | 3      | 146   | 24     | 25    | 2      | 392  |
| change   | 4     | 11    | -21    | -11    | -7     | 16    | 12     | 7     | -4     | 7    |
| % change   | 14,81 | 16,42 | -44,68 | -15,94 | -70,00 | 12,31 | 100,00 | 38,89 | -66,67 | 1,82 |



The information above shows that the number of buses involved in fatal crashes increased by 7 (1,82%) from 385 in 2008-09 to 392 in 2009-10. With the exception of Western Cape, Eastern Cape, Free State and Northern Cape, all other the provinces show an increase in this regard. On a percentage basis the highest increase was recorded in the North West with an increase of 100%, followed by Limpopo where the number of bus fatal crashes increased by 7 (38,89%) from 18 in 2008-09 to 25 in 2009-10.

The increases in the number of fatal crashes involving buses and minibuses, which are high occupancy vehicles, could be associated with the observed increases in the number of fatalities in Limpopo and North West provinces.

The number of LDVs (bakkies) involved in fatal crashes per province is given in the table below.

| NUMBER OF LDVS INVOLVED IN FATAL CRASHES PER PROVINCE |        |       |        |        |       |       |        |       |       |       |
|---|--------|-------|--------|--------|-------|-------|--------|-------|-------|-------|
| Year  | GA     | KZ    | WC     | EC     | FS    | MP    | NW     | LI    | NC    | RSA   |
| 2008-09   | 383    | 593   | 334    | 448    | 147   | 405   | 303    | 354   | 91    | 3,059 |
| 2009-10   | 284    | 562   | 223    | 333    | 179   | 455   | 255    | 393   | 129   | 2,814 |
| change  | -99    | -30   | -111   | -115   | 32    | 50    | -48    | 39    | 38    | -245  |
| % change  | -25,89 | -5,09 | -33,23 | -25,70 | 21,72 | 12,27 | -15,77 | 10,97 | 41,56 | -8,00 |

The information above shows that the number of LDVs involved in fatal crashes decreased by 245 (8,00%) from 3,059 in 2008-09 to 2,814 in 2009-10. Four provinces show increases, while decreases were recorded in five provinces. On a percentage basis the highest increase was recorded in the Northern Cape with an increase of 38 (41,56%) where the number of LDVs increased from 91 in 2008-09 to 129 in 2009-10. This can be attributed to the fact that this type of vehicle is used to transport passengers more so in the rural areas.

The number of articulated trucks involved in fatal crashes per province is given in the table below.

| NUMBER OF ALL TRUCKS INVOLVED IN FATAL CRASHES PER PROVINCE |        |        |        |        |        |       |        |       |        |        |
|---|--------|--------|--------|--------|--------|-------|--------|-------|--------|--------|
| Year  | GA     | KZ     | WC     | EC     | FS     | MP    | NW     | LI    | NC     | RSA    |
| 2008-09   | 144    | 189    | 110    | 128    | 94     | 112   | 53     | 69    | 34     | 932    |
| 2009-10   | 61     | 143    | 80     | 93     | 47     | 184   | 45     | 65    | 13     | 732    |
| change  | -83    | -46    | -30    | -35    | -47    | 72    | -8     | -4    | -21    | -201   |
| % change  | -57,88 | -24,18 | -27,05 | -27,14 | -49,86 | 64,48 | -15,27 | -5,67 | -61,05 | -21,55 |

The information above shows that the number of all trucks involved in fatal crashes decreased by 201 (21,55%) from 932 in 2008-09 to 732 in 2009-10. With the exception of Mpumalanga, all other provinces show a decrease in this regard. On a percentage basis, the only increase was recorded in Mpumalanga with an increase of 72 (64,48%) where the number of all trucks increased from 112 in 2008-09 to 184 in 2009-10.





The number of vehicles involved in fatal crashes per 10,000 registered vehicles per type of vehicle, is shown in table below. The general rate decreased by 7,68% from 18,13 to 16,74.

| NUMBER OF VEHICLES IN FATAL CRASHES / 10,000 REGISTERED |         |         |        |          |
|---|---------|---------|--------|----------|
| Vehicle Type  | 2008-09 | 2009-10 | Change | % Change |
| Motorcars   | 13,56   | 12,93   | -0,64  | -4,68    |
| Minibuses   | 63,21   | 64,81   | 1,60   | 2,53     |
| Buses   | 94,56   | 90,15   | -4,41  | -4,66    |
| Motorcycles   | 9,71    | 9,33    | -0,38  | -3,94    |
| LDV's - Bakkies   | 16,52   | 14,72   | -1,80  | -10,92   |
| Trucks  | 30,30   | 22,91   | -7,39  | -24,39   |
| All vehicles  | 18,13   | 16,74   | -1,39  | -7,68    |

The information above shows that, with the exception of minibuses, decreases were recorded for all other types of vehicles. The rate for minibuses involved in fatal crashes increased by 1,60 (2,53%) from 63,21 to 64,81 per 10,000 registered.

### 5.7.11. Road User Group Fatalities per Type of Vehicle

The number of fatalities per type of vehicle during 2008-09 and 2009-10 are given in the table below.

| TABLE 44: NUMBER OF FATALITIES PER TYPE OF VEHICLE |         |         |        |          |
|--|---------|---------|--------|----------|
| Vehicle Type                                       | 2008-09 | 2009-10 | Change | % Change |
| Motorcars  | 6,324   | 6,729   | 405    | 6,41     |
| Minibuses  | 1,191   | 1,188   | -4     | -0,31    |
| Minibus Taxis                                      | 420     | 565     | 145    | 34,44    |
| Buses  | 360     | 343     | -17    | -4,59    |
| Motorcycles  | 269     | 311     | 42     | 15,67    |
| LDV's - Bakkies                                    | 2,786   | 2,740   | -47    | -1,67    |
| Trucks - rigid                                     | 373     | 206     | -168   | -44,87   |
| Trucks - articulated                               | 465     | 477     | 13     | 2,75     |
| Other and unknown                                  | 1,224   | 1,109   | -115   | -9,39    |
| Total Motorised                                    | 13,413  | 13,669  | 255    | 1,90     |
| Bicycle  | 294     | 254     | -40    | -13,53   |
| Animal drawn                                       | 0       | 0       | 0      | 0        |
| Total  | 13,707  | 13,923  | 216    | 1,57     |

Amongst others, the information in the table above shows that, with the exception of motorcars, minibus taxis, motorcycles and articulated trucks, fatalities for all the other types of vehicles decreased.

The increases are briefly summarised as follows:

- Motorcars: fatalities increased by 405 (6.41%) from 6,324 to 6,729;
- Minibus Taxis: fatalities increased by 145 (34.44%) from 420 to 565; and
- Motorcycles: fatalities increased by 42 (15.67%) from 269 to 311.

Some decreases were registered as follows:



- Rigid trucks : decrease of 168 (44,87%) from 373 to 206;
- Buses: decrease of 17 (4.59%) from 360 to 343; and
- Bicycle : decrease of 40 (13,53%) from 295 to 254

The number of driver, passenger and pedestrian fatalities per type of vehicle are respectively given in the tables below.

| NUMBER OF DRIVER FATALITIES PER VEHICLE TYPE |         |         |        |          |
|--|---------|---------|--------|----------|
| Vehicle Type                                 | 2008-09 | 2009-10 | Change | % Change |
| Motorcars                                    | 2,095   | 2,344   | 250    | 11,93    |
| Minibuses                                    | 209     | 241     | 32     | 15,30    |
| Buses  | 11      | 20      | 8      | 74,94    |
| Motorcycles                                  | 218     | 276     | 58     | 26,54    |
| LDV's - Bakkies                              | 762     | 803     | 41     | 5,33     |
| Trucks                                       | 230     | 160     | -70    | -30,45   |
| Other and unknown                            | 109     | 90      | -19    | -17,20   |
| All vehicles                                 | 3,634   | 3,935   | 300    | 8,26     |

| NUMBER OF PASSENGER FATALITIES PER VEHICLE TYPE |         |         |        |          |
|---|---------|---------|--------|----------|
| Vehicle Type                                    | 2008-09 | 2009-10 | Change | % Change |
| Motorcars                                       | 2,220   | 2,381   | 160    | 7,22     |
| Minibuses                                       | 901     | 978     | 77     | 8,55     |
| Buses   | 230     | 212     | -18    | -7,67    |
| Motorcycles                                     | 18      | 18      | 1      | 3,03     |
| LDV's - Bakkies                                 | 1,140   | 1,104   | -37    | -3,24    |
| Trucks  | 289     | 219     | -70    | -24,25   |
| Other and unknown                               | 148     | 106     | -43    | -28,75   |
| All vehicles                                    | 4,947   | 5,017   | 71     | 1,43     |

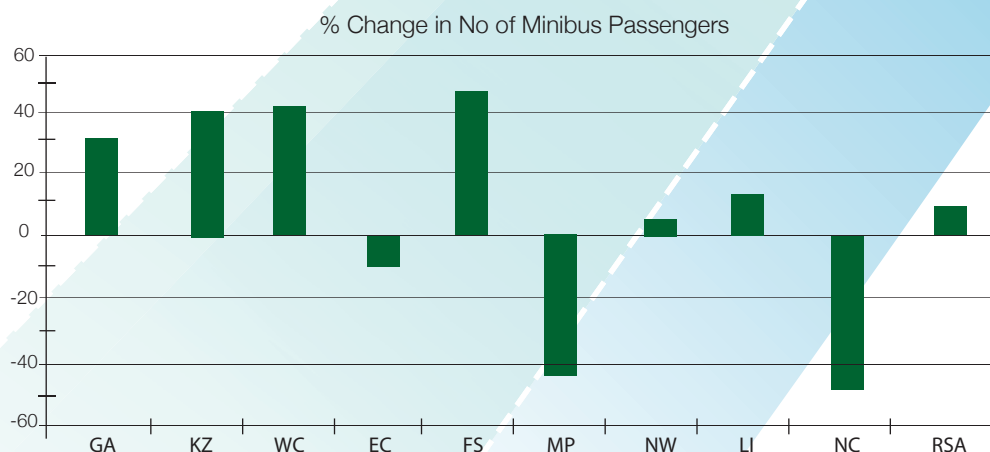
| NUMBER OF PEDESTRIAN FATALITIES PER VEHICLE TYPE |         |         |        |          |
|--|---------|---------|--------|----------|
| Vehicle Type                                     | 2008-09 | 2009-10 | Change | % Change |
| Motorcars  | 2,009   | 2,005   | -5     | -0,24    |
| Minibuses  | 501     | 533     | 32     | 6,38     |
| Buses  | 119     | 112     | -7     | -6,11    |
| Motorcycles                                      | 33      | 16      | -16    | -50,28   |
| LDV's - Bakkies                                  | 884     | 833     | -50    | -5,70    |
| Trucks   | 319     | 304     | -15    | -4,60    |
| Other and unknown                                | 967     | 913     | -54    | -5,55    |
| All vehicles                                     | 4,832   | 4,717   | -115   | -2,38    |



The tables above show that fatalities involving motorcars, minibuses and LDV's – bakkies are the leading contributors towards the overall number of road traffic fatalities in the country.

The number of passenger fatalities in minibus related fatal crashes (minibuses plus minibus taxis) per province is given in the table and the percentage change reflected in the graph below.

| NUMBER OF ALL MINIBUS PASSENGER FATALITIES PER PROVINCE |       |       |       |        |       |        |      |       |        |      |
|---|-------|-------|-------|--------|-------|--------|------|-------|--------|------|
| Year  | GA    | KZ    | WC    | EC     | FS    | MP     | NW   | LI    | NC     | RSA  |
| 2008-09   | 89    | 191   | 51    | 168    | 68    | 158    | 86   | 77    | 14     | 901  |
| 2009-10   | 115   | 267   | 73    | 144    | 102   | 90     | 89   | 90    | 7      | 978  |
| change  | 26    | 77    | 22    | -23    | 34    | -68    | 3    | 13    | -7     | 77   |
| % change  | 29,13 | 40,26 | 44,03 | -13,89 | 50,01 | -42,93 | 3,52 | 16,68 | -48,00 | 8,55 |

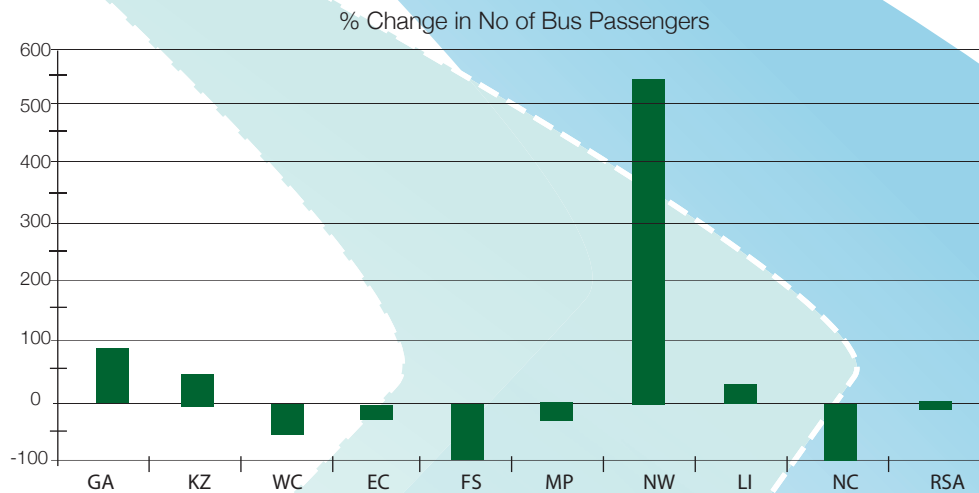


The information above shows that the number of all minibus passenger fatalities increased by 77 (8,55%) from 901 in 2008-09 to 978 in 2009-10. Three provinces recorded decreases and six show increases in this regard. The highest increase was recorded in the Free State where the number of passenger fatalities increased by 34 (50,01%) from 68 to 102 in 2009-10. The highest decrease of 48,00% was registered in Northern Cape. This could be due to the fact that mini bus taxis mode of transport accounts for more than 60% of all public transport usage (National Household Travel Survey).

The number of passenger fatalities in bus related fatalities is given in the table and the % change reflected in the graph below.

| NUMBER OF BUS PASSENGER FATALITIES PER PROVINCE |       |       |        |        |         |        |        |       |         |      |
|---|-------|-------|--------|--------|---------|--------|--------|-------|---------|------|
| Year  | GA    | KZ    | WC     | EC     | FS      | MP     | NW     | LI    | NC      | RSA  |
| 2008-09   | 7     | 29    | 21     | 44     | 4       | 111    | 3      | 9     | 2       | 230  |
| 2009-10   | 13    | 43    | 10     | 37     | 0       | 78     | 18     | 13    | 0       | 212  |
| change  | 6     | 14    | -10    | -7     | -4      | -34    | 15     | 4     | -2      | -18  |
| % change  | 85,71 | 48,28 | -47,62 | -15,19 | -100,00 | -30,63 | 500,00 | 44,44 | -100,00 | 7,83 |





The information above shows that the number of bus passenger fatalities decreased by 18 (7,83%) from 230 in 2008-09 to 212 in 2009-10. However, four provinces recorded increases and five provinces show decreases in this regard. The highest increase was in North West where the number of bus passenger fatalities increased by 15 (500%) from 3 in 2008-09 to 18 in 2009-10. In Gauteng the number of bus passenger fatalities increased by 6 (85,71%) from 7 to 13.

The number of passenger fatalities in LDV (bakkie) related fatal crashes are given in the table and the % change reflected in the graph below.

| NUMBER OF LDV PASSENGER FATALITIES PER PROVINCE |        |       |        |        |        |        |        |       |     |       |
|---|--------|-------|--------|--------|--------|--------|--------|-------|-----|-------|
| Year  | GA     | KZ    | WC     | EC     | FS     | MP     | NW     | LI    | NC  | RSA   |
| 2008-09   | 76     | 230   | 86     | 193    | 58     | 179    | 135    | 151   | 32  | 1,140 |
| 2009-10   | 68     | 217   | 66     | 149    | 118    | 113    | 117    | 185   | 72  | 1,104 |
| change  | -8     | -13   | -20    | -44    | 60     | -67    | -18    | 34    | 40  | -37   |
| % change  | -10,53 | -5,65 | -23,26 | -22,84 | 103,45 | -37,43 | -13,33 | 22,52 | 125 | -3,24 |

The information above shows that the number of LDV (bakkie) passenger fatalities decreased by 37 (3,24%) from 1,140 in 2008-09 to 1,104 in 2009-10. With the exception of Free State, Limpopo and Northern Cape where there were an increase, all other provinces had decreases in this regard. On a provincial percentage basis, the highest increase was recorded in the Northern Cape where the number of LDV passenger fatalities increased by 40 (125%) from 32 in 2008-09 to 72 in 2009-10. In the Free State, the number of LDV passenger fatalities increased by 60 (103,45%) from 58 to 118 which could be attributed to the use of LDVs to transport passengers in the rural areas also.



## 5.8. Results of the 2009 Road Traffic Offence Survey

The RTMC conducts an independent annual traffic offence survey and the information obtained from the survey is mainly used for the following purposes:

- To determine the level of legal compliance/non compliance amongst road users on a year-on-year basis;
- To measure the effect and impact of road safety intervention strategies such as communication, law enforcement programmes, amongst others;
- To inform and recommend intelligent transport systems;
- To inform and recommend automated law enforcement technologies and
- To complement existing traffic safety information as well as to identify factors that contribute to road traffic crashes.

By comparing these rates on an annual basis, the long term progress with regard to traffic discipline, law compliance, quality and safety in road traffic can be measured, monitored and evaluated.

A brief summary of the main offence indices for 2009 on a national level, in comparison with those of 2008, is given in the table below:

| SUMMARY OF 2008-2009 OFFENCE INDICES |                               |       |       |        |          |
|--------------------------------------|-------------------------------|-------|-------|--------|----------|
| Offence type                         | Description                   | 2008  | 2009  | Change | % Change |
| <b>Speed offences</b>                | Urban areas all vehicle types | 6,70  | 6,30  | -0,4   | -5,97    |
|                                      | Rural areas all vehicle types | 5,80  | 7,90  | 2,1    | 36,21    |
| <b>Alcohol offences</b>              | Day-time all vehicle types    | 2,40  | 1,27  | -1,13  | -0,47    |
|                                      | Night-time all vehicle types  | 3,57  | 2,38  | -1,19  | -33,33   |
| <b>Seatbelt offences</b>             | Drivers                       | 4,20  | 3,90  | -0,30  | -7,14    |
|                                      | Passengers front eat          | 4,70  | 4,50  | -0,20  | -4,26    |
| <b>Traffic signal offences</b>       | Day-time all vehicle types    | 29,80 | 24,70 | -5,1   | -17,11   |
|                                      | Night-time all vehicle types  | 33,00 | 19,60 | -13,40 | -40,60   |
| <b>No driving license</b>            | All vehicles                  | 3,90  | 1,50  | -2,40  | -61,54   |
| <b>No PrPD</b>                       | Minibus taxis,buses,trucks    | 3,80  | 2,00  | -1,80  | -94,74   |
| <b>Tyre offences</b>                 | Worn and damaged tyres        | 6,80  | 5,80  | -1,00  | -14,71   |
| <b>Vehicle offences</b>              | light Head-lights             | 3,20  | 1,10  | -2,10  | -65,63   |
|                                      | Tail-lights                   | 1,70  | 0,60  | -1,10  | -64,71   |
|                                      | Brake-lights                  | 5,30  | 2,30  | -3,00  | -56,60   |
| <b>Number plate</b>                  | No plate and disk correlation | 0,70  | 0,20  | -0,50  | -71,43   |
| <b>Combined Index</b>                |                               | 6,8   | 5,6   | -1,2   | -17,65   |

The information in the table above shows that, on a national level, the overall offences index has decreased by 17.65% from an index of 6.8 in 2008 to an index of 5.6 in 2009.

An increase of 36.21% was observed for speed offence in rural areas for all vehicles from 5.80 in 2008 to 7.90 in 2009. It needs to be emphasised that these indices are still very high and very far from reaching the desired maximum offence rate of 5%.



## Provincial Road Traffic Offence Indices

### Combined Offence Index per Province

| NUMBER OF LDV PASSENGER FATALITIES PER PROVINCE |      |      |      |      |      |      |      |      |      |      |
|---|------|------|------|------|------|------|------|------|------|------|
| Year  | GA   | KZ   | WC   | EC   | FS   | MP   | NW   | LI   | NC   | RSA  |
| 2002  | 20,0 | 16,5 | 11,3 | 14,9 | 10,7 | 36,6 | 15,6 | 12,2 | 11,6 | 16,7 |
| 2003  | 10,3 | 9,2  | 14,0 | 11,0 | 9,5  | 23,7 | 12,4 | 11,6 | 9,1  | 11,4 |
| 2005  | 8,2  | 6,4  | 7,9  | 8,2  | 7,8  | 14,3 | 8,2  | 9,6  | 6,6  | 8,4  |
| 2006  | 8,2  | 5,4  | 5,5  | 7,7  | 7,5  | 10,1 | 13,7 | 8,6  | 6,0  | 7,7  |
| 2007  | 5,8  | 4,7  | 5,2  | 4,3  | 6,3  | 5,2  | 5,1  | 5,1  | 4,5  | 5,3  |
| 2008  | 6,1  | 7,0  | 8,5  | 10,3 | 6,9  | 4,3  | 5,4  | 5,6  | 6,4  | 6,8  |
| 2009  | 5,8  | 6,0  | 5,0  | 5,9  | 5,0  | 6,2  | 5,1  | 5,7  | 4,3  | 5,6  |

The above information shows that with the exception of Mpumalanga and Limpopo provinces, all other provinces registered decreases in the overall level of lawlessness amongst road users.

**Mpumalanga:** An increase of 44.19% from 4.3 in 2008 to 6.2 in 2009.

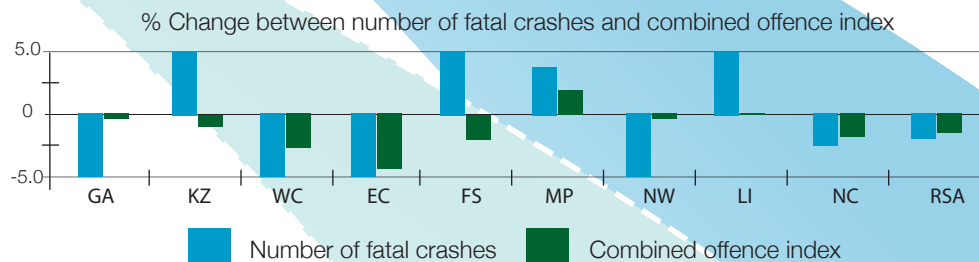
**Limpopo:** An increase of 1.79 % from 5.6 in 2008 to 5.7 in 2009

## Correlation Between Fatal Crash Statistics And Traffic Offence Rates

Information on the comparison between fatal crashes and road traffic offences for the years 2008 and 2009 is given in the table below and the % change from 2008 to 2009 is reflected in the graph below.

| COMPARISON BETWEEN FATAL CRASHES AND TRAFFIC OFFENCE INDICES |       |       |        |          |                        |      |      |        |
|--|-------|-------|--------|----------|------------------------|------|------|--------|
| Number of Fatal Crashes                                      |       |       |        |          | Combined Offence Index |      |      |        |
| Prov.  | 2008  | 2009  | Change | % Change | Prov                   | 2008 | 2009 | Change |
| GA   | 2311  | 2121  | -190   | -8,2     | GA                     | 6,1  | 5,8  | -0,3   |
| KZ   | 2117  | 2249  | 132    | 6,3      | KZ                     | 7    | 6    | -1,0   |
| WC   | 1290  | 1055  | -235   | -18,2    | WC                     | 8,5  | 5    | -3,5   |
| EC   | 1067  | 993   | -74    | -6,9     | EC                     | 10,3 | 5,9  | -4,4   |
| FS   | 650   | 699   | 49     | 7,5      | FS                     | 6,9  | 5    | -1,9   |
| MP   | 1187  | 1236  | 49     | 4,1      | MP                     | 4,3  | 6,2  | 1,9    |
| NW   | 869   | 840   | -29    | -3,3     | NW                     | 5,4  | 5,1  | -0,3   |
| LI   | 1081  | 1144  | 63     | 5,8      | LI                     | 5,6  | 5,7  | 0,1    |
| NC   | 233   | 227   | -6     | -2,7     | NC                     | 6,4  | 4,3  | -2,1   |
| RSA  | 10805 | 10564 | -241   | -2,2     | RSA                    | 6,8  | 5,6  | -1,2   |





The information above shows that, in general, there is some correlation in the change in the number of fatal crashes and the change in the overall combined offence index. For example:

**(a) Positive correlations were observed in the following cases:**

- National level: as the offence index decreased by 1.2, fatal crashes decreased by 2.2% as well;
- Gauteng: an offence index decrease of 0.3 was accompanied by a 8.2% decrease in fatal crashes;
- Western Cape: offence index decreased by 3.5 and fatal crashes decreased by 18.2%;
- Eastern Cape: offence index decreased by 4.4 and fatal crashes decreased by 6.9%;
- Mpumalanga: offence index increased by 1.9 and fatal crashes increased by 4.1%;
- North West: offence index decreased by 0.3 and fatal crashes decreased by 3.3%;
- Limpopo: offence index increased by 0.1 and fatal crashes increased by 5.8%; and
- Northern Cape: offence index decreased by 2.1 and fatal crashes decreased by 2.7%.

**(b) Exceptions in this regard are the following provinces, which showed a negative correlation between traffic offence indices and fatal crashes:**

- KwaZulu-Natal: offence index decreased by 1.0 and fatal crashes increased by 6.3% and
- Free State: offence index decreased by 1.9 and fatal crashes increased by 7.5%.

### 5.8.1. Recommendations informed by the findings of the survey

The most important offences to focus on, as identified in the survey are:

- Driving under the influence of alcohol: Very high levels of drunk driving were encountered in some provinces, especially during the night, with a national night time offence index of 2.4. Alcohol control should be stepped up and the penalties should be severe.
- Barrier line offences: The huge contribution of this offence to the dangerous situation on our roads should be recognised, with a national day time offence index of 16.1.
- Smooth and damaged tyres: Serious problems with tyres of vehicles, including trucks and taxis were found on the road, with a national worn tyre index of 6.8. Reasons for serious deterioration of tyres and for the apparent neglect of tyres by a large proportion of vehicle owners, professional drivers and the freight and passenger transport industries should be investigated and stricter targeted law enforcement measures implemented.
- Speeding: High levels of speeding offences were observed. The national rural speed index increased from 5.8 in 2008 to 7.9 in 2009. Speed discipline must be restored on South African roads and community leaders at all levels should be role models in this regard.

**NB: Detailed report is available on the RTMC website**



## SECTION 6

# HIGHLIGHTS OF ACHIEVEMENTS

### 6.1. Enforcement Co-ordination

The development of the Rolling Enforcement Plan responded to the criticism that traffic enforcement is seen to be active only twice a year and also that traffic enforcement interventions were not harmonised between the various tiers of government. Through the Plan, efforts of the nine provincial traffic services, the nine big cities as well as the six metropolitan police departments were synergised. During the 2010/11 financial year every effort will be made to ensure the co-operation of the remaining traffic authorities. Twelve (12) monthly high impact campaigns and twelve (12) national blitzes yielded the netting of high speed offenders, a significant number of drunken drivers as well as discontinuation of un-roadworthy vehicles.

An International Road Traffic Management Conference and Awards Function was held during August 2009 in Cape Town. More than 1100 delegates from various authorities around the country attended and shared information on best practice models. Local and international experts covered subjects on Law Enforcement, AARTO, Traffic Training, Accident Investigation and Road Safety Education. The information and awards motivated the officers in attendance to go an extra mile in the performance of their daily duties.

The Corporation is involved in the National Joint Planning and Support Team (NJPST) and the National Joint Operations Centre (NATJOC). These structures were established to enhance communication with the Provincial Joint Operations Centres (PROVJOCs) on various road safety issues during the Confederations Cup tournament and will be extended during the FIFA 2010 World Cup. As part of the preparations for the 2010 World Cup, the lessons from Confederations Cup tournament will be used in ensuring a safe FIFA 2010 tournament and this has been augmented by the development of four (4) standard operating procedures (SOP's) for enforcement synchronisation.

### 6.2. Training of Traffic Personnel

The following is the list of Traffic Colleges in the country and enrolments in 2009/10 for Basic Traffic Officer Training:

|  | Jan 2009 -June 2009 | July 2009 -Dec 2009 | Jan 2010 -June 2010<br>Still ongoing |
|--|---------------------|---------------------|--------------------------------------|
| <b>Provincial Colleges</b>               |                     |                     |                                      |
| Limpopo Traffic College                  | 157                 | 47                  | 150                                  |
| Boekenhoutkloof Traffic College          | 81                  | 107                 | 58                                   |
| KZN Traffic College                      | 108                 | 101                 | 20                                   |
| Lengau Traffic College                   | 0                   | 0                   | 0                                    |
| Gene Louw Traffic College                | 38                  | 106                 | 75                                   |
| <b>Metro / Municipal Academies</b>       |                     |                     |                                      |
| Matjhabeng Traffic College               | 31                  | 67                  | 20                                   |
| Mangaung Traffic College                 | 80                  | 38                  | 0                                    |
| Durban Metro Police Academy              | 209                 | 319                 | 190                                  |
| Johannesburg Metro Police Academy        | 491                 | 0                   | 0                                    |
| Tshwane Metro Police Academy             | 0                   | 5                   | 260                                  |
| Ekurhuleni Metro Police Academy          | 205                 | 310                 | 55                                   |
| Port Elizabeth Municipal Traffic College | 94                  | 101                 | 44                                   |
| <b>Totals</b>                            | <b>1494</b>         | <b>1201</b>         | <b>872</b>                           |



The increased visibility of traffic officers and improved service delivery in respect of the issuance of driving licences and testing of vehicles was a result of the training of 2948 traffic officers, 681 Examiners of Driving licences and 123 Examiners of Vehicles. The quality of services rendered by the training colleges was monitored and evaluated according to set standards to ensure compliance and improved quality of Traffic Officers produced from these institutions.

At the advent of the AARTO roll-out a total number of 2009 officials, including facilitators from Traffic Colleges, were trained in AARTO up to the end of December 2009. During the AARTO Pilot sessions AARTO Refresher training was conducted in regard to the completion of AARTO notices and some legal matters.

As part of the preparation for the FIFA 2010 World Cup a total number of 441 Traffic Officers including College Facilitators from Traffic Colleges were trained in FIFA 2010 World Cup host cities on State Protocol and Etiquette as well as on handling people with diplomatic immunity. Officers were capacitated in order to cascade this knowledge down to their colleagues. A total number of 968 Officers were also trained in Communication and Interpersonal Relations in FIFA 2010 soccer tournament host cities.

In an effort to capacitate the officers in line with the Midterm Strategic Framework Goals, the Corporation registered a Unit Standard with SAQA in December 2009, ID no: 336639 for Examiners of Vehicles. This paved the way for Examiners of Vehicles to receive accredited training. A Draft Policy, which was one of the “quick wins” recommended within the Draft National Training Framework, has also been developed which will allow for Private Service Providers to obtain approval to train Examiners of Vehicles within the National Training Framework when approved.

The learning material developed for the Qualification ID 62289 designed for Basic Traffic Officer Training has also been accredited with the Local Government SETA on 9 October 2009. This will ensure that the officers receive better training to enable them to contribute towards halving of road crashes by 2015.

After the proclamation of the National Land Transport Act No. 5 of 2009 and the Regulations thereunder in December 2009, which replaced the Transitional Act, the Corporation amended the current training material and held a workshop with the facilitators from Training Colleges early in 2010. This was to ensure that the facilitators are ready to roll out training in regard to this legislation which includes the Special Events Transport Regulations for 2010. The officers will be equipped to deal with public transportation requirements during the FIFA World Cup 2010.

### 6.3. Road Traffic Information and Crash Investigation and Recording

As from 1st April 2009 to 31 March 2010, hundred and twenty six (126) major accidents have been investigated and 126 preliminary reports were produced with 55 summary reports and letters with recommendations. The recommendations informed interventions to be implemented by relevant stakeholders to prevent similar crashes occurring in the future.

An industry specific On-Site Investigation Programme has been developed and training was conducted during the year under review. A total of 93 and a further 60 officials were trained. This training will go a long way towards enhancing the capacity of accident investigation officials. The Corporation's Research Working Committee has been established consisting of experts in the transport and road safety industry. The purpose of the working group is to define and regularly review the research agenda of the industry and to also ensure quality assurance and dissemination of research findings to stakeholders.

Annually, the Corporation conducts an independent traffic offence survey to determine the level of lawlessness on our roads with regards to selected critical road traffic offences that mostly contribute to the occurrence of road crashes in the country.

The survey focused on the following offences:

- Speed-urban and rural (light, heavy vehicles and taxis);
- Traffic signal offences;
- Overtaking across barrier line;
- Alcohol levels;
- Driving licences present and valid;
- Wearing of seatbelts;
- Vehicle fitness;
- Correlation between vehicle registration plate and license disk;
- Pedestrian compliance; and
- Presence of traffic officers, pedestrians, cyclists and animals on the roads.

The findings of these annual offence surveys assist prioritisation of law enforcement interventions. For instance the 2009 offence survey established that the most important offences to focus on, as identified in the study, are amongst others, driving under the influence of alcohol, barrier line offences, smooth and damaged tyres and speeding.





## 6.4. Road Safety Education

The Driver of the year and RTMC Brandhouse No.1 Taxi Driver competitions encourage employers of heavy vehicle drivers and taxi drivers to improve the driving skills within their industries, respectively. During the 2009 Competitions, 2 019 heavy vehicle drivers and 2 654 taxi drivers took part in the competitions from regional level up to national level.

The Corporation also strives to ensure the safety of learners crossing the roads in the vicinity of schools through scholar patrol programme. Every three years, scholar patrol uniforms are disbursed to schools and the learners and teachers on the programme are insured. During the year under review, the Corporation insured 35 387 learners and 4 607 teachers. In respect of the youth, the national road safety debates as well as the national road safety convention, the knowledge, information and experiences related to road safety issues were shared amongst 2 490 youths. These programmes are aimed diminishing the number of fatalities amongst this sector of the society.

Road safety messages were also spread through the printing and distribution of themed posters, leaflets, licence disk holders, water bottles as well as reflective sashes.

## 6.5. AARTO Implementation

During the financial year the pilot of AARTO continued in the municipalities of Tshwane and Johannesburg. The main purpose of the pilot is to, amongst others, test all the various systems, procedures and processes that are utilised in the daily operations, identify weaknesses and deficiencies with the view to develop and apply remedial measures. Together with issues related to the performance of officers, the weaknesses and loopholes in the legislative framework, the system requirements for efficient interface with various entities and uploading to the National Contraventions Register and the on-line, real-time updating of the National Contraventions Register (NCR) from supporting local systems, the efficiency of revenue collection, management and accountability thereof. With the NCR being developed as a module of the eNaTIS, it offered the benefits of the interaction of the different modules contained therein for verification, such as the particulars of motor vehicles, driving licences, operator cards, owners and operators of motor vehicles.

Some issues that were identified for further attention include, amongst others the following:

- With the lessons being learned from an analysis of deficient aspects through practical experience, amendments to the Act and Regulations have been identified. Workshops were conducted between various role-players involved in the AARTO process, in order to identify amendments to be effected to the legislation.
- The need for the strengthening of the communication and education of the general public in order to ensure that all road users and people affected by the system had a full and clear understanding of their rights, duties and obligations and duties in terms of the AARTO process, was identified as an important matter for improvement.
- Having recognised that the success of the AARTO implementation depends to a very large extent on the competence of the law enforcement officers, who are the ones responsible for the origin of the AARTO process, the training of officers continued. This training was based on the train-the-trainer basis, where facilitators from the different jurisdictions were trained and tasked with the responsibility of cascading such training to officers on the ground.

A road traffic offence survey was conducted in the jurisdictional area of Tshwane over a period of 12 months with the view to determine the effect of AARTO on road user behaviour with regard to improved law compliance. The outcome indicated that:

- There was a continuous serious lack of discipline and very dangerous traffic conditions prevalent on the roads and streets within the boundaries of the City;
- The combined traffic offence index for all traffic offences in the City was 12,7 times higher than the acceptable standard offence index of 1,0 and 2,3 times higher than the national offence index of 5,6 for 2009; and
- That the City will have to develop increased and better targeted law enforcement operations. The implementation of the National Road Traffic Law Enforcement Code is regarded as an essential integral part of the AARTO process in order to improve law compliance.

In January 2010 a National AARTO Task Team was established with the view of assisting the Corporation, amongst others to ensure the smooth operations of the pilot; the conducting of a formal assessment of the pilot; determining the state of readiness of provincial, metropolitan and local issuing authorities, as well as providing authorities with assistance in this regard; and the finalisation of the national rollout plan.



## SECTION 7

# PERFORMANCE INFORMATION REPORT

| 1. ROAD TRAFFIC LAW ENFORCEMENT COORDINATION  |  |                         |   |  |   |
|---|--|-------------------------|---|--|---|
| Outputs   | Indicator  | Outcome                 | Annual Target 2009/2010   | Actual Achievements against Annual Target  | Reasons for Variation   |
| Objective: Ensure inter-agency cooperation & coordination of enforcement operations in all prioritised (hazardous) routes with focused quick win operations by 2012 |  |                         |   |  |   |
| Visible, effective and targeted multi-disciplinary policing on all hazardous routes and on high risk days and times for traffic compliance and crime prevention     | A coordinated and monitored National Rolling Enforcement Plans for uniform coordinated operations by all authorities | Improved law compliance | <p>Twelve (12) national traffic enforcement campaigns and 15 national blitzes by all authorities per annum as per Rolling Enforcement Plan</p> <p>Monitor, support and evaluate for 100% compliance with plans on identified pilot routes</p> | <p>Twelve national enforcement campaigns coordinated as per National Rolling Enforcement Plan 2009/10</p> <p>Twelve blitzes completed: Two Langlaagte Bus Operations, Two Road Traffic Inspectorate bus operations, three Moloto Road bus operations, three illegal drag racing, and two drunken driving in Eastern Cape</p> <p>4000 booklets and 3000 year planners produced to all authorities</p> <p>Monthly enforcement operations reports collected and more than ten out of fifteen authorities report monthly</p> | <p>The three outstanding blitzes will form part of 2010/11 national rolling enforcement plan</p> <p>Non compliance by Authorities to furnish monthly reports</p> <p>RTMCC was not functional during the period under review</p> |



| 1. ROAD TRAFFIC LAW ENFORCEMENT COORDINATION                             |   |   |                                   |   |                       |
|--|---|---|-----------------------------------|---|-----------------------|
| Outputs  | Indicator   | Outcome   | Annual Target 2009/2010           | Actual Achievements against Annual Target   | Reasons for Variation |
| Quarterly inter-agency collaboration for a "partnership for road safety" | Operational planning and reporting systems<br><br>Minutes and reports of meetings | Improved law compliance.  | Quarterly collaborations meetings | <b>Inter departmental; collaboration:</b><br><br>-Four LETCOM meetings held<br><br><b>Intra-departmental/ agency collaboration:</b><br><br>-DoT and CBRTA, and the Military Police are part of LETCOM and participate in the Rolling Enforcement Plan.<br><br>- RTMC represented on IRTLEC<br><br><b>Achieved</b> | None                  |
| Successful annual Road Management conference and award function          | Reports on conference   | Increased appreciation of the impact of traffic law enforcement in reducing crime | A conference and awards function  | A joint conference RTMC/ITMPO conference successfully held and 1035 road traffic management stakeholders participated.<br><br>A closing report submitted.<br><br><b>Achieved</b>  | None                  |





| 1. ROAD TRAFFIC LAW ENFORCEMENT COORDINATION   |   |   |  |  |   |
|--|---|---|--|--|---|
| Outputs  | Indicator   | Outcome   | Annual Target<br>2009/2010   | Actual<br>Achievements<br>against Annual<br>Target   | Reasons for<br>Variation                                  |
| Objective: Develop, legislate and implement the National Road Traffic Law Enforcement Code (NRTLEC ) by 2012 |   |   |  |  |   |
| Approved National Road Traffic Law Enforcement Code as part of the RTMC legislation                          | Consultative workshops by April 2009.<br><br>Gazetting of the draft code by June 2009   | Provisioning of uniform standards in respect of the planning, leading, organising, controlling of traffic issues in the country | NRTLEC as part of the RTMC legislation<br><br>Finalisation of the Code | National Road Traffic Law Enforcement Code completed   | Awaiting shareholders committee approval before gazetting |
|  | Inclusion of the code in the RTMC legislation by July 2009.<br><br>Presentation to Essential Services Committee to declare traffic enforcement as essential services by June 2009 | Efficient policing and harmonisation of enforcement operations  |  | Hearing held with the Essential Services Committee of the CCMA on 29 March 2010                                      | Consultation with Organised Labour took a longer period   |
| Objective: Establishment of a Traffic Practitioners' Council (TPC) by 2010                                   |   |   |  |  |   |
| TPC established and implemented to deal with road traffic law enforcement ethics and conduct                 | Consultative forum<br><br>Draft terms of reference<br><br>Buy-in by stakeholders<br><br>Gazetting as inclusion to NRTLEC  | Professionalism and empowered traffic fraternity  | Feasibility Studies and research                                       | Feasibility study report on the establishment of the Traffic Practitioners' Council compiled.<br><br><b>Achieved</b> | None  |



### 1. ROAD TRAFFIC LAW ENFORCEMENT COORDINATION

| Outputs  | Indicator  | Outcome  | Annual Target 2009/2010  | Actual Achievements against Annual Target  | Reasons for Variation  |
|--|--|--|--|--|--|
| Objective: The consolidation and monitoring of the implementation of the National Road Traffic Law Enforcement Plan for the 2010 World cup   |  |  |  |  |  |
| National traffic enforcement coordinated plan developed in line with an SAPS lead agency plan to ensure safety and security of road users during the 2010 World Cup and implementation monitored | Plan on recruitment, selection, training resourcing and deployment of traffic personnel in select areas for maximum impact by March 2010                     | Safety and security of local and international road users                        | Alignment of the plans for all host cities, Metro's, provinces and other local authorities                                 | Plans of nine (9) authorities received   | Host cities have not responded to the call for the finalization of the templates |
|  |  |  | Facilitated dry runs on the Confederations cup and for the 2010 FIFA World Cup   | A report on the Confederations Cup compiled to provide an analysis of strengths and weakness in order to develop interventions for the FIFA world cup<br><br>Standard Operating Procedures for cross-cutting escorts developed<br><br>90% complete | None   |
| Objective: Provision of high tech traffic law enforcement equipment for greater impact by 2012   |  |  |  |  |  |
| Technology-driven traffic law enforcement solution for greater impact on road safety provided  | 100 breathalyzers, evidentials and 1000 screeners  | Smarter, efficient policing and harmonization of enforcement equipment standards | Procure 20 evidentials and 300 screeners   | Not achieved   | The projects are shelved due to the unavailability of funds                      |
|  | 20 mobile surveillance cameras   |  | Procure 5 units of Mobile Surveillance cameras   | Not achieved   |  |
| Objective: Coordinate the development and implementation of a National Transport Loads Management Enforcement Strategy   |  |  |  |  |  |
| Loads management plan that includes loads (overloading) and dimensions, abnormal loads, dangerous goods and public passenger regulations produced and implementation coordinated and monitored   | Loads management plan for goods and public transport vehicles<br><br>Progress reports on implementation<br><br>Partnerships agreements with SANRAL and CBRTA | Safety and security for all road users and less damage to road infrastructure    | A load management plan for goods and public transport vehicles<br><br>Acquisition of transferred weigh-bridges from SANRAL | The Loads Management Plan was developed by the Department of Transport and handed over to the RTMC.<br><br><b>Achieved</b><br><br>Met with SANRAL regarding the acquisition of weigh bridges   | Exploratory discussions with SANRAL taken long to materialise                    |



## 2. TRAINING OF TRAFFIC PERSONNEL

| Outputs   | Indicator          | Outcome  | Annual Target 2009/2010   | Actual Achievements against Annual Target  | Reasons for Variation  |
|---|--------------------|--|---|--|--|
| Objective: Develop and implement an Integrated Governance structure for Road Traffic Management by 2012 |                    |  |   |  |  |
| A standardised training of Traffic Personnel  | Training Framework | Standardised training of Road Traffic Management | <p>Establish a single Academy in South Africa for Traffic Management</p> <p>Compile relevant policies</p> | <p>First draft of the National Training Framework compiled.</p> <p>Approval of certain aspects of the NTF obtained</p> <p>Application for an ETQA status to SAQA done</p> <p>Research on Recognition of Prior Learning (RPL) policy conducted</p> <p>Draft Policies on RPL for the FETC: Road Traffic Management and Traffic Training Centres have been developed.</p> <p>Policy on Private Service providers to offer EOVT training finalised</p> | <p>The establishment of a single academy and development of relevant policies is dependent on finalisation of the training framework</p> <p>Awaiting approved training framework</p> |







## 2. TRAINING OF TRAFFIC PERSONNEL

| Outputs   | Indicator                                | Outcome  | Annual Target 2009/2010  | Actual Achievements against Annual Target  | Reasons for Variation |
|---|--|--|--|--|-----------------------|
| Objective: To co-ordinate and monitor the implementation of registered qualification for basic traffic officials and other training by 2012 |  |  |  |  |                       |
| Accredited and updated learning material  | Aligned and accredited learning material | Standardised training of Road Traffic Management Practitioners | Alignment and accreditation of learning material<br><br>Workshop Facilitators on basic traffic training and its unit standards | Workshops for aligned learning material conducted.<br><br>14 learning material received preliminary approval by LGSETA for accreditation.<br><br>EOV unit standard registered on 02 December 2009 with ID no. 336639<br><br>Traffic Officers' Learning material accredited by LGSETA.<br><br>NLTTA learning material amended to NLTA due to legislative repeal and amendments<br><br><b>Achieved</b> | None                  |





## 2. TRAINING OF TRAFFIC PERSONNEL

| Outputs  | Indicator                               | Outcome  | Annual Target 2009/2010   | Actual Achievements against Annual Target  | Reasons for Variation |
|--|---|--|---|--|-----------------------|
| Training at all Colleges monitored and evaluated | Level of compliance with set standards. | Standardised training of Road Traffic Management | All Colleges and programmes monitored and evaluated against set standards | <p>Conducted annual evaluation at all 12 approved training centres and reports compiled</p> <p>Compiled, reproduced and distributed examination material for June, November and other exams (EDL &amp; EOY)</p> <p>Monitored and moderated June, November and other exams</p> <p>2 948 Learners wrote Traffic Officers 1 &amp; 2 of 2009 final exam</p> <p>681 Learners wrote Examiner of Driving Licences and 123 Learners wrote Examiner of Vehicle exam for 2009</p> <p>Planned, co-ordinated and presented Field Training Officers training in respect of Loads on Vehicles, Legal's, Dangerous Goods in two provinces (except the NLTTA)</p> <p>Special exams for Mangaung and KZN colleges compiled, printed and distributed</p> <p>Compiled exams for Traffic Officers course 1 of 2010</p> | None                  |



## 2. TRAINING OF TRAFFIC PERSONNEL

| Outputs  | Indicator  | Outcome   | Annual Target 2009/2010  | Actual Achievements against Annual Target   | Reasons for Variation |
|--|--|---|--|---|-----------------------|
|  |  |   |  | Workshops held with college facilitators on AARTO in preparation for the National Roll-out training.<br><b>Achieved</b>   |                       |
| Objective: Develop and implementation of specialised training course in all traffic training institutions by 2012        |  |   |  |   |                       |
| Accredited specialised courses   | Registered qualifications and accredited learning material                     | Enhance skill and knowledge in Road Traffic Management  | Development of qualification outline and unit standards for specialised training courses for Supervisory Management, road safety, infrastructure audits and accident investigation | New unit standards developed for road safety qualification and submitted to SAQA.<br><br>Two Draft unit Standards developed for Supervisory Management (NQF levels 5 and 6 respectively)<br><b>Achieved</b>   | None                  |
| Objective: Develop and monitor the implementation of soft skills training programme for law enforcement officers by 2012 |  |   |  |   |                       |
| Soft skills training programmes for all law enforcement officers implemented   | Reports<br><br>Number of officers trained and number of training sessions held | Enhancement of soft skills for law enforcement officers | Facilitation sessions for soft skills training for Traffic Officers  | 968 Traffic Officers trained on Interpersonal, Tactical communication and Public Relations in FS<br><br>441 Traffic Officers including College Facilitators trained in host cities on State Protocol and Etiquette as well as on handling people with diplomatic immunity in preparation for 2010 FIFA World Cup<br><b>Achieved</b> | None                  |





## 3.COMMUNICATION AND EDUCATION

| Outputs  | Indicator                                      | Outcome             | Annual Target 2009/2010  | Actual Achievements against Annual Target   | Reasons for Variation |
|--|--|---------------------|--|---|-----------------------|
| Objective: To review, develop, facilitate & monitor formal & informal road safety education programmes directed to road users by 2010. |  |                     |  |   |                       |
| Coordinated and monitored School Projects  | Developed resource material                    | Informed road users | Audit of all grade 1-9 learner and educator support material and the programme and implementation of programme monitored and evaluated | Audit completed and report submitted<br>81 schools audited<br><b>Achieved</b>   | None                  |
|  | Consolidated minutes, reports and action plans |                     | Scholar patrol (Grade 1-12)  | Secured scholar patrol uniform through sponsorship for 23 schools in Gauteng<br><br>Updated scholar patrol database of schools.<br><br>Monitoring of performance of programme and reports produced<br><b>Achieved</b> | None                  |
|  | Project reports                                |                     | Participatory Educational Techniques Grade (10-11)   | 85 schools participated in Participatory Educational Techniques<br><br>National competition held in Kwazulu-Natal involving nine provinces<br><br>Final report completed<br><b>Achieved</b>                           |                       |
|  | Number of learners targeted                    |                     | Road Safety debates (Grade 10-11)  | Road Safety National Debates Competitions for grade 10-11 held<br><br>45 learners participated in the national debates competition.<br><b>Achieved</b>  | None                  |



| 3.COMMUNICATION AND EDUCATION                             |   |                     |   |  |                       |
|---|---|---------------------|---|--|-----------------------|
| Outputs   | Indicator   | Outcome             | Annual Target 2009/2010   | Actual Achievements against Annual Target  | Reasons for Variation |
| Coordinated and monitored projects for drivers (informal) | Consolidated minutes, reports and action plans<br>Project reports | Informed road user  | Driver of the year competition (Professional drivers)   | Coordinated and monitored provincial competitions and held one national competition<br><br>Report completed<br><br>Best of the Best competition completed and SA team selected.<br><br><b>Achieved</b> | None                  |
|   |   |                     | Number one taxi competition (taxi drivers)  | Coordinated and monitored provincial competitions and assisted with one national competition<br><br>Report completed.<br><br><b>Achieved</b>   | None                  |
| Coordinate and monitor Road Safety Awareness Campaigns    | Project report  | Informed road users | National Road Safety Youth Convention   | National youth convention hosted in KZN and report submitted<br><br>181 youth participated<br><br><b>Achieved</b>  | None                  |
|   | Project Reports   | Informed Road Users | Coordinate and monitor pedestrian, driver and passenger awareness programmes in 9 provinces (e.g. Open Tolling System and Yellow fast lane for buses) | Provided technical assistance on R300 road safety awareness project working in conjunction with SANRAL.  | None                  |



| 3.COMMUNICATION AND EDUCATION |   |                     |   |   |                       |
|-------------------------------|---|---------------------|---|---|-----------------------|
| Outputs                       | Indicator                               | Outcome             | Annual Target 2009/2010                                       | Actual Achievements against Annual Target   | Reasons for Variation |
|                               |   |                     |   | <p>Provided support to DoT for the coordination of the World Remembrance Day and national festive season launch at Orange Farm.</p> <p>RTMC submitted a distribution list of recipients for reflective armbands to Syntell Foundation</p> <p>Provided support to DoT for coordination of the National community road safety committees (crsc) summit and provincial summits.</p> <p><b>Achieved</b></p> | None                  |
|                               | Nature & number of distributed material | Informed Road Users | Produce and distribute road publicity material in 9 provinces | <p>Distributed publicity material for Easter, festive season, CRSC summit and workshops.</p> <ul style="list-style-type: none"> <li>• 300 000 Themed leaflets distributed nationally</li> </ul> <p><b>Achieved</b></p>  | None                  |





#### 4.VEHICLE REGISTRATION AND LICENSING

| Outputs   | Indicator  | Outcome   | Annual Target 2009/2010   | Actual Achievements against Annual Target  | Reasons for Variation   |
|---|--|---|---|--|---|
| Objective: To oversee, monitor and manage the Registration and Licensing of vehicles and improve the quality and service delivery to the public |  |   |   |  |   |
| Delivery improvement programmes   | On-line system set in all registration and authorities         | Cost effective service delivery for improved service delivery | Set-up and implement on-line licensing and registration                                       | <p>The draft plan for electronic MVL2 Renewal Notices developed and include:</p> <ul style="list-style-type: none"> <li>• Registration of the public to receive driving licence and vehicle licence renewal notices per e-mail.</li> <li>• An SMS notice to their cell phone to inform them of such notice; and</li> <li>• Update and verify current vehicle owner information on ENaTIS.</li> </ul> | Function not formally transferred to the RTMC hence no resources available to ensure delivery of the output |
|   | No. of Service Points and EFT/ Debit Card payments implemented |   | Introduce more service points for registration of vehicles and EFT/Debit card payments system | No actual activity undertaken.   |   |
|   | SMS Notification System  |   | Develop a SMS notification system for sending notices for renewal of licenses                 | Not achieved   |   |
| Trained eNaTIS personnel for improved service delivery  | Number of personnel trained and nature of training             | Standardised training of road traffic management personnel    | Develop an accredited training course for all level of staff                                  | Not achieved   |   |
| A fraud and corruption prevention systems in all eNaTIS access point  | Nature and quality of security systems                         | Secure environment in line with security standards            | Assessment of security points   | Not achieved   |   |
|   |  |   | Vetting of all eNaTIS authorised officers   | Not achieved   |   |



#### 4. VEHICLE REGISTRATION AND LICENSING

| Outputs   | Indicator                         | Outcome                             | Annual Target 2009/2010  | Actual Achievements against Annual Target | Reasons for Variation   |
|---|-----------------------------------|-------------------------------------|--|---|---|
|   |                                   |                                     | Introduce an electronic automated system for the reduction of theft of face value documents        | Not achieved                              | Function not formally transferred to the RTMC hence no resources available to ensure delivery of the output |
|   |                                   |                                     | Develop code of practice for vehicle registration and licensing and update regulations             | Not achieved                              |   |
|   |                                   |                                     | Introduce eNaTIS at all border posts including airports to capture information of cars and drivers | Not achieved                              |   |
| Current eNaTIS infrastructure upgraded            | Nature of upgrading implemented   | Secure and safe working environment | Feasibility study on status of access, safety and health of registration authorities               | Not achieved                              |   |
| 100% response to all inquiries at eNaTIS helpdesk | Number of enquiries v/s responses | Informed public                     | 100% responses to all received inquiries   | 97% of all queries resolved               |   |







### 5. VEHICLE AND ROADWORTHINESS TESTING

| Outputs   | Indicator              | Outcome     | Annual Target 2009/2010                          | Actual Achievements against Annual Target | Reasons for Variation   |
|---|------------------------|-------------|--|---|---|
| Objective: Coordinate, manage and monitor vehicle roadworthiness testing and improve the quality and service delivery to the public |                        |             |  |   |   |
| Regulate vehicle roadworthiness testing   | Nature of intervention | Road Safety | Develop codes of practice and standards          | Not achieved                              | Function not formally transferred to the RTMC hence no resources available to ensure delivery of the output |
|   |                        |             | Introduce homologation requirements through SABS | Not achieved                              |   |

### 6. TESTING AND LICENSING OF DRIVERS

| Outputs   | Indicator                            | Outcome   | Annual Target 2009/2010  | Actual Achievements against Annual Target | Reasons for Variation   |
|---|--------------------------------------|---|--|---|---|
| Objective: Coordinate, manage & monitor the testing & licensing of drivers and improve the quality of service to the public |                                      |   |  |   |   |
| Improved system for testing and licensing of drivers  | Functional computer system developed | Cost effective service delivery for improved service delivery | Implement the computerised learner's test and other systems and cater for physically challenged people | Not achieved                              | Function not formally transferred to the RTMC hence no resources available to ensure delivery of the output |







| 7. NATIS SYSTEM  |                           |  |  |   |   |
|--|---------------------------|--|--|---|---|
| Outputs  | Indicator                 | Outcome  | Annual Target 2009/2010  | Actual Achievements against Annual Target | Reasons for Variation   |
| Objective: To maintain, operate and enhance the National Traffic Information System (eNaTIS) to support functioning of the road safety management. |                           |  |  |   |   |
| Security measures built in eNaTIS  | Nature of Security System | Protected access to eNaTIS                                   | Develop contracts/SLAs to be signed by entities granted access to eNaTIS and implement user pay principle      | Not achieved                              | Function not formally transferred to the RTMC hence no resources available to ensure delivery of the output |
|  |                           |  | Develop vetting mechanism for all entities before access to eNaTIS   | Not achieved                              |   |
|  |                           |  | Establish eNaTIS operational Committee   | Not achieved                              |   |
| NaTIS enhancement and maintenance  | System SLA report         | Optimal support of all the core functions of the corporation | Enhancement and maintenance(with the assumption that we will take over NaTIS at the current maintenance budget | Not achieved                              | ENaTIS system not transferred to the corporation  |





## 8. TRAFFIC INFORMATION MANAGEMENT AND ACCIDENT RECORDING AND INVESTIGATION

| Outputs  | Indicator  | Outcome  | Annual Target 2009/2010   | Actual Achievements against Annual Target   | Reasons for Variation  |
|--|--|--|---|---|--|
| Objective: Improve the collection, management and use of data on road deaths and injuries so as to formulate evidence-based policies by 2012 |  |  |   |   |  |
| Accident Investigation and Reconstruction reports  | Scientific research parameters for conducting accident analysis        | Determine trends and implement recommendation                              | Conduct and coordinate Special Investigations on all major accidents in the country             | Total Accidents investigated: 126. (This constitute 64% of all major fatal crashes)<br><br>126 preliminary and 55 summary reports produced<br><br>FleetWatch project took place in Pietermaritzburg. Twelve vehicles were mechanically investigated and 11 were impounded | There is not enough budget and human resource to investigate all major accidents in the country.   |
| Accident unit within the Corporation   | Functional unit and number of skilled accident investigations employed | Trained accident unit personnel to conduct accident investigation in house | Unit model developed through international benchmarking and piloted as recruitment of personnel | A desktop research report has been compiled regarding the establishment of the Crash Investigation Unit   | The functional unit has not been established due to inability to perform other preparatory work which included international visits as part of the process of the establishment. |





### 8. TRAFFIC INFORMATION MANAGEMENT AND ACCIDENT RECORDING AND INVESTIGATION

| Outputs  | Indicator                           | Outcome                                 | Annual Target 2009/2010   | Actual Achievements against Annual Target  | Reasons for Variation   |
|--|-------------------------------------|---|---|--|---|
| A real time capturing system in all provinces                        | Number of accidents captured        | Accurate real time analysed information | Implement pilot in 1 province for accident recording  | <p>Briefing sessions were held with different stakeholders during the financial year under review</p> <p>Task teams comprising of the Metro and Community safety officials were established to review the standard operating procedures, the implementation plan and memorandum of understanding, identify sites for pilots and develop a retention strategy</p> | The real time accident capturing system could not be implemented in provinces due to inability to complete consultations with stakeholders in time for the pilot to be implemented. |
|  |                                     |   | Rollout system to all Provinces   | Not achieved   |   |
| Standardised accredited training programme developed and implemented | Number of unit standards accredited | Capacity in Accident Investigation      | <p>Develop standardised accident investigation programmes for law enforcement personnel</p> <p>Pilot training programme in selected provinces on specialised unit within RTMC</p> | <p>industry specific On-Site Investigation Program draft manual was finalised</p> <p>Two training sessions were conducted and 93 and a further 60 officials from crash and non crash investigations were trained</p>   | The finalisation of the industry specific programme is delaying, the manual is updated based on the inputs received from the pilot programmes                                       |





| 8. TRAFFIC INFORMATION MANAGEMENT AND ACCIDENT RECORDING AND INVESTIGATION             |                                    |   |  |   |  |
|--|------------------------------------|---|--|---|--|
| Outputs  | Indicator                          | Outcome   | Annual Target 2009/2010  | Actual Achievements against Annual Target   | Reasons for Variation  |
| Established body to regulate and accredit accident investigators (Private/ Government) | Number of investigators registered | A regulatory body where accident investigators other than engineers can be registered | Development of regulations for the accreditation of accident investigators | Not achieved  | It was realised that RTMC cannot establish the body to regulate and accredit accident investigators.<br><br>Therefore the council will be established outside RTMC, however RTMC will provide leadership in the establishment of the council |
| An annual International Accident Investigation Conference                              | Approved conference dates          | Capacitated delegates with new methods and technologies in accident investigation     | Annual International Accident Investigation Conference held                | Annual International Accident Investigation Conference held and 1 035 road traffic management stakeholders participated in the event<br><br><b>Achieved</b> | None   |





## 8. TRAFFIC INFORMATION MANAGEMENT AND ACCIDENT RECORDING AND INVESTIGATION

| Outputs                               | Indicator                     | Outcome                                       | Annual Target 2009/2010  | Actual Achievements against Annual Target  | Reasons for Variation  |
|---------------------------------------|-------------------------------|---|--|--|--|
| Upgraded state of the art call centre | Number of responses to public | Efficient and effective service to the public | Establish call centre in line with feasibility study recommendations and implement | <p>Call centre in its current state is 100% operational and a draft model to establish an integrated 24/7 RTMC call centre has been developed.</p> <p><b>Statistics on the operations of the call centre over the period under review:</b></p> <p>Total received offence reports: 14 278</p> <p>Wrong numbers and information requests: 5 038</p> <p>VPTO registered: 38</p> <p>VPTO letters dispatched: 38</p> <p>Foreign vehicles reported: 26</p> <p>Vehicles different per make and model: 786</p> <p>Reported hazardous location (e.g. faulty traffic lights, potholes etc.): 990</p> <p>Offender responses: 298</p> <p>Registration numbers not on NaTIS: 1 512</p> <p>Dispatched letters to traffic offenders: 12 236</p> <p>Letters still to be dispatched to traffic offenders 10 324</p> | The change of scope leading to a move towards establishing an integrated call centre for the Corporation delayed the project |



### 8. TRAFFIC INFORMATION MANAGEMENT AND ACCIDENT RECORDING AND INVESTIGATION

| Outputs  | Indicator  | Outcome   | Annual Target 2009/2010  | Actual Achievements against Annual Target                             | Reasons for Variation  |
|--|--|---|--|---|--|
| Integrated national Incident Management System (IMS) Framework and Provincial and Local Policy | Number of fully trained personnel and timeous responses to incidents | Standardised procedures and training IMS in the country | Finalise framework for adoption by all role players<br><br>Coordinate incident management in the country | The corporation has started the process to develop the IMS framework. | A service provider was appointed towards the end of the financial year<br><br>However, the project was put on hold during the fourth quarter |

### 9. TRAFFIC ENGINEERING AND ROAD SAFETY AUDIT

| Outputs  | Indicator   | Outcome                    | Annual Target 2009/2010  | Actual Achievements against Annual Target  | Reasons for Variation  |
|--|---|----------------------------|--|--|--|
| Objective: Coordination of road infrastructure and safety audits       |   |                            |  |  |  |
| Reviewed South African Road Safety Manual and implementation monitored | 100% review of the South African Road Safety Manual | Reduction of risk on roads | Review and pilot South African Road Safety Manual guidelines and tools | The development of position paper has been done though not completed.<br><br>A workshop was held with stakeholders for consolidation of a position paper to inform the revised South African Road safety Manual (SARSM). | Minimal stakeholder participation at the beginning of the project delayed completion |
| Objective: To provide regular quality assured safety audits            |   |                            |  |  |  |





### 9. TRAFFIC ENGINEERING AND ROAD SAFETY AUDIT

| Outputs   | Indicator   | Outcome   | Annual Target 2009/2010   | Actual Achievements against Annual Target  | Reasons for Variation   |
|---|---|---|---|--|---|
| Regular quality assured safety audits   | <p>Number of design projects on which quality assured safety audits conducted</p> <p>Number of quality assured assessment conducted on selected existing road network</p> <p>Analytical reports on state of engineering road safety level</p> | Acceptable road safety network                                      | Conduct safety audits and assessments on selected projects  | Not achieved   | The project is dependent on the completion of revision of the SARSM which is still underway. Audits cannot be conducted until auditing guidelines have been reviewed and piloted. |
| Accredited curriculum and capacity development on road safety audits and assessment             | Skilled road safety auditors  | Accredited curriculum framework                                     | Develop curriculum framework on road safety audits and assessment and pilot   | Not achieved   | The project is dependent on the completion of revision of the SARSM which is still underway.  |
| A network safety performance measurement tool developed and implemented                         | Quantified network safety performance   | Intervention s informed by level of network safety performance tool | Development and pilot of network safety performance measurement tools   | Not achieved   | Budget shifted to development of database on emergency services   |
| Safety engineering guidelines and standards developed and implementation monitored              | 100% development of guidelines and standards in safety engineering  | Reduce risk in using road network                                   | Development and pilot of network safety performance measurement tools   | Not achieved   | Budget shifted to development of database on emergency services   |
| Standardised measures for speed calming on high risk routes developed and compliance monitored. | <p>Finalise bid specifications</p> <p>Call for bids</p> <p>Award contract</p> <p>Submission of final report and database</p>  | Reduce speed related occurrence of crashes on high risk route       | Consultative meetings with Provinces, Metros & local authorities on identification of hazardous areas & pilot projects implemented<br>Introduce speed calming measures on identified high crash risk roads on a pilot basis in Gauteng. | <p>Stakeholder consultation done in Free State and Gauteng provinces</p> <p>Draft project specification and implementation plan completed.</p> | The budget has been shifted to the projects on emergency services and route numbering system and the project will be reconsidered during 2010/11 financial year.                  |



### 9. TRAFFIC ENGINEERING AND ROAD SAFETY AUDIT

| Outputs                             | Indicator                            | Outcome                                    | Annual Target 2009/2010   | Actual Achievements against Annual Target   | Reasons for Variation   |
|-------------------------------------|--------------------------------------|--|---|---|---|
| All unnumbered rural roads numbered | 100% unnumbered rural roads numbered | Efficient route network referencing system | Unnumbered rural roads numbered<br><br>The project execution starts in March 2009 and will be completed in 2010/11 financial year | Consultations with stakeholders were held to prepare for the project implementation | Project implementation was put on hold and will be implemented by the Department of Transport |

### 10. ADMINISTRATIVE AND ADJUDICATION OF ROAD TRAFFIC OFFENCES (AARTO)

| Outputs   | Indicator   | Outcome  | Annual Target 2009/2010   | Actual Achievements against Annual Target   | Reasons for Variation   |
|---|---|--|---|---|---|
| Objective: Implement an effective and expeditious adjudication of traffic offences. |   |  |   |   |   |
| Operationalise AARTO in the country in all 9 provinces and implementation monitored | Approval and publication of proclamation for effecting the AARTO in various jurisdictions | Effective and expeditious adjudication of traffic offences | Proclamations for effecting the AARTO Act in Gauteng<br><br>Monitor the implementation of the AARTO and the Point Demerit System (PDS) in the whole country | Proclamation effecting implementation in Tshwane and Johannesburg published but not Gauteng | Roll-out to the rest of Gauteng rescheduled to be line with the national roll-out plan.<br><br>PDS will be aligned with set targets for the national roll-out |
|   | Progress reports on pilot and national roll out   |  | Pilot operational in Tshwane and Johannesburg by 2009, then rollout to Gauteng at the end of 2009   | Pilot operational in Tshwane and Johannesburg but not in Gauteng                            |   |
|   |   |  | AARTO implementation monitored and evaluated to determine readiness for national rollout  | Pilot readiness template updated with the pilot experiences in Tshwane and Johannesburg.    | None  |



| 10. ADMINISTRATIVE AND ADJUDICATION OF ROAD TRAFFIC OFFENCES (AARTO)                      |   |   |   |  |                       |
|---|---|---|---|--|-----------------------|
| Outputs   | Indicator   | Outcome   | Annual Target 2009/2010   | Actual Achievements against Annual Target  | Reasons for Variation |
| Objective: Implement an effective and expeditious adjudication of traffic offences.       |   |   |   |  |                       |
| Trained officers and other stakeholders working on AARTO for effective implementation     | Approved training material registered as a unit standard in terms of the National Qualification Framework           | Competence officers on the AARTO processes                  | Training material produced and distributed to all registered training providers                               | AARTO Unit Standard registered and accredited.<br><br>AARTO Training Material accredited with LGSETA.<br><br>5 000 AARTO training posters and 6000 training manuals printed and distributed<br><br>1 000 training DVDs and CDs copied<br><br><b>Achieved</b> | None                  |
|   | Number of trained officers, representation officers, sheriffs and stakeholders by competent and registered trainers |   | Monitor and evaluate the outcomes and efficacy of all training provided                                       | 2 009 Officers trained on the AARTO.<br><br><b>Achieved</b>  | None                  |
| Objective: Implement an effective Points Demerit System                                   |   |   |   |  |                       |
| Performance of the National Contravention Register (NCR) enhanced in support of the AARTO | A fully functional NCR  | Effective and expeditious adjudication of traffic offences. | Monitor the enhancement of the NCR in line with the business process analysis, fully compliant to legislation | NCR was enhanced to ensure 100% compliance with legislation. Release 10 deployed on NCR in July 2009.<br><br><b>Achieved</b>   | None                  |





### 10. ADMINISTRATIVE AND ADJUDICATION OF ROAD TRAFFIC OFFENCES (AARTO)

| Outputs  | Indicator  | Outcome  | Annual Target 2009/2010   | Actual Achievements against Annual Target   | Reasons for Variation  |
|--|--|--|---|---|--|
| AARTO website functionality enhanced to support all the functions of the AARTO unit, authorities, representative officers and sheriffs.<br><br>Monitor its performance | A fully functional interactive AARTO internet website      | Effective and expeditious adjudication of traffic offences | AARTO website enhanced and monitor the electronic performance of the website in line with eCommerce imperatives                 | Testing of the first phase of the functionality has been done and development of last phase was to be finalized.<br><br>The updating of the website has not been effective. | The updating of website is work in progress  |
| Educated stakeholder on AARTO and its processes.   | Radio, television and print material distributed on AARTO. | A well informed public on the AARTO                        | Monitor the publication and distribution of educational material in Gauteng specifically and the rest of the country thereafter | 5 000 posters and 20 000 Z cards distributed to educate public on AARTO<br><br><b>Achieved</b>  | None   |
| Point Demerit system comprehensively implemented.  | Protocols and procedures of the PDS 100% finalised         | Effective and expeditious adjudication of traffic offences | Evaluate the background processes of the Points Demerit System used as a warning to infringers                                  | Not achieved  | Points Demerit System (PDS) will be aligned with set targets for the national roll-out |
| Objective: Provide an effective operational management for the AARTO functions   |  |  |   |   |  |
| Functional and properly financed AARTO function  | Business plan approved by the board                        | Effective and expeditious adjudication of traffic offences | National Treasury approval and financing for the AARTO implementation countrywide   | National Treasury engaged for setting up to the RTIA and funding of national rollout<br><br>Revenue streams for self funding investigated                                   | Engagements with National Treasury ongoing   |



### 10. ADMINISTRATIVE AND ADJUDICATION OF ROAD TRAFFIC OFFENCES (AARTO)

| Outputs  | Indicator  | Outcome  | Annual Target 2009/2010   | Actual Achievements against Annual Target  | Reasons for Variation  |
|--|--|--|---|--|--|
| Representation officers (RO) appointed                           | No. of ROs appointed in terms of section 10 of the AARTO Act<br><br>Signed contracts for the appointment of ROs  | Effective and expeditious adjudication of traffic offences | Evaluate the required number of RO's appointed for Gauteng and the country and implement          | Six (06) Representation Officers appointed to deal with applications for the Tshwane and Johannesburg pilot.<br><br>Determination made for the qualifications and experience of ROs and submitted to Minister.   | None   |
| Appointment of sheriffs through South African Board of Sheriffs. | Signed contracts for the appointment of sheriffs<br><br>Inter-Departmental agreement between the Ministers of Transport and Justice to appoint additional sheriffs | Effective and expeditious adjudication of traffic offences | Feasibility study to determine required numbers of sheriffs and monitor implementation in Gauteng | Not achieved   | There are discussions to review the requirement for appointment of sheriffs with the possible deletion in the Act and follow |
| Printed AARTO handwritten forms.                                 | No and availability of handwritten and application forms at service points   | Effective and expeditious adjudication of traffic offences | Monitor the provision of adequate forms at all service points                                     | E-Forms are published on the website and provision is made for electronic completion of certain categories not requiring submission via email<br><br>RTMC no longer procuring forms for authorities decision is that Traffic Authorities are to procure own stocks as from 01 January 2010 | <ul style="list-style-type: none"> <li>RTMC no longer procuring AARTO infringement notices</li> </ul>                        |



## 10. ADMINISTRATIVE AND ADJUDICATION OF ROAD TRAFFIC OFFENCES (AARTO)

| Outputs   | Indicator  | Outcome | Annual Target 2009/2010   | Actual Achievements against Annual Target   | Reasons for Variation  |
|---|--|---------|---|---|--|
| An effective postal service for the issuing of infringement notices.                            | Signed contracts for the serving of AARTO Infringement Notices.  |         | Monitor the issuing and serving of documents for effective performance  | Contract signed with SAPO on service infringement notices<br><br>Data clean-up conducted on the eNaTIS and SAPO database exchange | Inaccurate data on the eNaTIS due to infringers not collecting mail and updating particulars 80% of AARTO 03 issued by registered mail are returned due to incorrect addresses |
| Agreement with banks and other service providers for the collection of AARTO fines and revenue. | Number of signed contracts for the efficient collection of revenue with service providers across the country at convenient locations to the infringers |         | Evaluate performance of various collection mechanisms and enhancements<br><br>Monitor the performance of payment gateways for effective electronic management   | Not achieved  | Lack of online interface with various collection channels.   |
| Organisational structure in support of all stakeholders established and implemented.            | Adequate numbers of capable human resources in support of all stakeholders in the AARTO process appointed  |         | Implement and evaluate the impact of the organisational structure and required human resource in support of the AARTO in Gauteng and impact on national rollout | Appointed 4 Administrative Assistants and 01 Deputy Registrar.<br><br>Approval for appointment of 15 additional staff granted.    | HR and organisational structure task team established to address all capacity requirements   |







| 10. ADMINISTRATIVE AND ADJUDICATION OF ROAD TRAFFIC OFFENCES (AARTO)   |   |  |   |  |                       |
|--|---|--|---|--|-----------------------|
| Outputs  | Indicator   | Outcome  | Annual Target 2009/2010                     | Actual Achievements against Annual Target  | Reasons for Variation |
| Objective: Provide a workable legislative framework for the AARTO and RTMC   |   |  |   |  |                       |
| Alignment of the AARTO, RTMC, NRTA, CBRTA & SANRAL Acts for a comprehensive traffic management legislative package | Recommendation for approval and publication of amendments to the AARTO, RTMC, NRTA, CBRTA & SANRAL acts | Effective and expeditious adjudication of traffic offences | Recommend the alignment of all traffic acts | <p>Areas of amendments to the Act and Regulations identified and drafting has started</p> <p>Government notice published for intention to appoint permanent members of the board of the Road Traffic Infringement Agency</p> <p>Proclamations effecting section 19A and B of the act in Tshwane and Johannesburg municipalities made</p> | None                  |





| 11. RESEARCH AND DEVELOPMENT   |   |   |  |  |   |
|--|---|---|--|--|---|
| Outputs  | Indicator   | Outcome   | Annual Target 2009/2010  | Actual Achievements against Annual Target  | Reasons for Variation   |
| Objective: Initiate and implement research and development projects  |   |   |  |  |   |
| Software developed and eForce handheld computers distributed to traffic authorities  | Number of traffic officers in selected areas use handheld computers for law enforcement   | Improved effective and efficient traffic policing and harmonisation of enforcement equipment standard | 1 000 TOPCS units utilised to implement pilot project in Gauteng province traffic authorities  | Not achieved but project specifications completed  | Project put on hold   |
| An effective and functional EVI tag embedded in vehicle license discs for the real-time identification and tracking the location of all motor vehicles on the road network | Number of vehicles embedded with device   | Improved, effective and efficient traffic policing  | EVI tag development integration of Automated Number Plate Recognition, Electronic Tolling and ELD and EVI and roll-out in the nine provinces       | 80 % of the first phase of the project completed which resulted in development of project specification.   | Project put on hold   |
| Research and evaluation guidelines and implementation.   | Signed SLA's with identified institutions<br><br>Number of research and reports completed | Evidence based planning of road safety programmes   | Identification of institutions and delineation of research and evaluation agenda<br><br>Conducting one of each in research and evaluation projects | Research working committee established consisting of members from research institutions, consultants and government officials.<br><br>Draft terms of reference and engagement complete.<br><br>Draft MOU between RTMC and UNISA ISHS complete. | UNISA still to provide feedback on the draft MOU.   |
| Promulgated Guidelines/Act/ Legislation for animal drawn transport and stray animals.  | Approved guidelines and 100% implementation   | Adequate legislative framework governing stray animals and animal drawn vehicles                      | Research for amendment of NRTA (stray animals and animal drawn vehicle)  | RTMC participating in the technical committee developing standards on NMT facilitated by SABS.   | The completion of NMT policy development by the Department of Transport and facilitation of development of NMT standards by SABS through the technical committee will inform the amendments to NRTA |



## 11. RESEARCH AND DEVELOPMENT

| Outputs   | Indicator   | Outcome   | Annual Target 2009/2010   | Actual Achievements against Annual Target   | Reasons for Variation    |
|---|---|---|---|---|--------------------------|
| Objective: Initiate and implement research and development projects   |   |   |   |   |                          |
| Annual report on the level of legal compliance amongst road users with regard to selected critical road traffic offences that mostly contribute to the occurrence of the crashes            | Annual traffic offence survey and report finalised and distributed to stakeholders and role-players within the set time frames. | Provision of information for the preparation of future strategic plans and programmes             | Annual traffic offence report printed and distributed within 1 month after the end of each year   | Project 100% complete and report submitted.<br><br>2009 Traffic Offence Survey findings disseminated to traffic authorities to assist in planning for rolling enforcement plans.<br><br><b>Achieved</b> | None                     |
| A comprehensive database on all emergency services around the country in support of an effective and efficient incident management system of the road network.                              | User friendly and accessible database.  | Comprehensive incident management on the road network   | A comprehensive database on all the available emergency services around the country in support of an effective and efficient management system of the road network                            | 70% of the project is complete which involves consultations with stakeholders.  | Project was put on hold. |
| A report on the level of legal compliance amongst the road users in Tshwane Metro with regards to selected critical road traffic offences that contribute to the occurrence of road crashes | Tshwane traffic offence report printed and distributed within 1 month after completion  | Traffic offence survey and report finalised and ready for distribution within the set time frames | A report on the level of legal compliance amongst road users in Tshwane Metro with regard to selected critical road traffic offences that mostly contribute to the occurrence of road crashes | Tshwane Traffic Offence Survey completed and a report has been distributed as per set indicator.<br><br><b>Achieved</b>   | None                     |





| 12. HUMAN RESOURCES AND ADMINISTRATION                      |  |   |  |   |                       |
|---|--|---|--|---|-----------------------|
| Outputs   | Indicator  | Outcome   | Annual Target 2009/2010                | Actual Achievements against Annual Target   | Reasons for Variation |
| Objective: To manage and execute Human Resources Management |  |   |  |   |                       |
| Human resources managed                                     | Clearly defined practices, policies and procedures in place<br><br>(Completed recruitment and selection processes, Captures transactions on PERSAL, PDMS system) | Timely implemented of all activities related to Human Resources | Implement all practices and procedures | <p>26 Employees appointed, 13 resigned and 1 retired</p> <p>100% PERSAL transactions captured and updated.</p> <p>Performance Bonuses paid at half of the actual percentage that individuals received</p> <p>41 policies and procedures prepared and awaiting Board approval</p> <p><b>Achieved</b></p> | None                  |





## 12. HUMAN RESOURCES AND ADMINISTRATION

| Outputs                            | Indicator  | Outcome  | Annual Target 2009/2010 | Actual Achievements against Annual Target  | Reasons for Variation |
|------------------------------------|--|--|-------------------------|--|-----------------------|
| Talent management function managed | Clearly defined programmes in place<br>(orientation and induction programme, training, bursary scheme, internship, employee wellness programme,) | Timely introduction of programmes and training | Implemented programmes  | <p>47 employees inducted and orientated.</p> <p>Skills Audit report presented to the Training and Development Committee members</p> <p>HRD Strategy finalised.</p> <p>Coordinated Personal Development Plans workshop for 26 managers</p> <p>Draft policy on registration with Professional bodies developed.</p> <p>Coordinated Performance Management Training for SMS members</p> <p>Workplace Skills Plan developed and submitted to service seta</p> <p>Utilisation of ICAS services for the EHWP increased to 19%</p> <p><b>Achieved</b></p> | None                  |



## 12. HUMAN RESOURCES AND ADMINISTRATION

| Outputs                              | Indicator  | Outcome                             | Annual Target 2009/2010 | Actual Achievements against Annual Target   | Reasons for Variation |
|--------------------------------------|--|-------------------------------------|-------------------------|---|-----------------------|
| Employee relations function managed. | 100% discipline cases handled<br>(employee discipline, employee-employer relations, grievance-complain and dispute resolution) | Disciplined and satisfied employees | 100% implementation     | <p>Draft revised disciplinary policies and procedures and grievance policies and procedures developed awaiting Board approval.</p> <p>Four disciplinary inquiries were held. All were found guilty.</p> <p>Recognition Agreement has been signed off by CEO and NEHAWU. NEHAWU membership stands at 69</p> <p>Seven grievances were lodged and 2 resolved.</p> <p>Four conciliations hearings held at the CCMA. Commissioner issued a certificate of non resolution with respect to two conciliations. The other two cases were resolved at the hearing.</p> <p>Two arbitrations hearings held. One was postponed and the other the Corporation received a positive award.</p> <p><b>Achieved</b></p> | None                  |





## 12. HUMAN RESOURCES AND ADMINISTRATION

| Outputs  | Indicator                      | Outcome                                       | Annual Target 2009/2010        | Actual Achievements against Annual Target  | Reasons for Variation |
|--|--------------------------------|---|--------------------------------|--|-----------------------|
| Occupational Health and Safety function managed                                | 100% compliance                | Timely management of reported cases.          | 100% implementation            | <p>First Aid training conducted</p> <p>OHS legal compliance audit conducted</p> <p>Monthly inspection of First Aid Boxes and Fire Extinguishers completed.</p> <p>Fire Marshalls have been appointed.</p> <p>OHS Committee meet quarterly</p> <p><b>Achieved</b></p> | None                  |
| Objective: To manage and execute Organisational Development (OD)               |                                |   |                                |  |                       |
| Permanent organisational model aligned to the mandate and strategy of the RTMC | Clearly defined model in place | Timely implementation of organisational model | Implement organisational model | <p>Appointments done in line with the approved structure and mandate of the Corporation</p> <p><b>Achieved</b></p>   | None                  |
| Posts established taking organisational growth into account                    | Number of posts established    |   | Filing of vacant posts         | No new posts were created  | None                  |



## 12. HUMAN RESOURCES AND ADMINISTRATION

| Outputs   | Indicator                                      | Outcome                                       | Annual Target 2009/2010 | Actual Achievements against Annual Target  | Reasons for Variation             |
|---|--|---|-------------------------|--|-----------------------------------|
| Transformation strategy   | 100% implementation of Transformation strategy | Timely development of Transformation strategy | Implement strategy      | Transformation policy and Employment Equity Plan developed and awaiting approval   | Policy and plan awaiting approval |
| Objective: To manage and render Office Support Services, auxiliary services, document, record and registry services |  |   |                         |  |                                   |
| Administration and management of the Corporation facilities   | 100% implementation                            | Satisfied employees                           | 100% implementation     | <p>Maintenance on building is ongoing.</p> <p>Records are kept and updated continuously</p> <p>Auxiliary services are being rendered on an ongoing and on a needs basis and in accordance with stipulated policies.</p> <p><b>Achieved</b></p> | None                              |





| 13. LEGAL SERVICES  |                             |  |   |  |                       |
|---|-----------------------------|--|---|--|-----------------------|
| Outputs   | Indicator                   | Outcome  | Annual Target 2009/2010                       | Actual Achievements against Annual Target  | Reasons for Variation |
| Outputs Objective: To provide legal services to the Corporation |                             |  |   |  |                       |
| Legal opinions and technical support provided                   | 100% legal support provided | All requests for legal support provided within agreed time frame | Legal support in litigation matters provided  | 51 opinions have been provided timeously as requested and legal risk was minimised.  | None                  |
|   |                             |  | Legislative related support services provided | IP rights of the Corporation registered in respect of AARTO, RTMC domain names, names and logos.   | None                  |
|   |                             |  |   | Unit was involved in numerous technical committee meetings on national, provincial and local level addressing legislation amendments on current road traffic legislation.<br>AARTO Regulations Amendments published in Government Gazette.<br>AARTO Amendment Bill drafted and circulated for stakeholder comments<br>Commented on and prepared a comprehensive report on amendments to AARTO & RTMC Acts and presented report to RTMC Board | None                  |
|   |                             |  | Contract related legal services               | Seventy seven contracts perused, drafted and or amended and negotiated with service providers.   | None                  |





| 13. LEGAL SERVICES  |           |         |                         |   |                       |
|---|-----------|---------|-------------------------|---|-----------------------|
| Outputs   | Indicator | Outcome | Annual Target 2009/2010 | Actual Achievements against Annual Target   | Reasons for Variation |
| Outputs Objective: To provide legal services to the Corporation |           |         |                         |   |                       |
|   |           |         | Law library established | <p>The IP Authenticated Law Library has been fully established and it is 100% functional</p> <p>Internal material obtained from various sources.</p> <p><b>Achieved</b></p> | None                  |

| 14. INFORMATION TECHNOLOGY  |                                   |   |  |   |   |
|---|-----------------------------------|---|--|---|---|
| Outputs   | Indicator                         | Outcome   | Annual Target 2009/2010  | Actual Achievements against Annual Target   | Reasons for Variation                     |
| Objective: To effectively and efficiently anticipate and provide information technology support service and business management to attain the corporation's business objectives |                                   |   |  |   |   |
| IT Security and Infrastructure managed  | Security IT Audit and SLA Reports | 95% secured and uptime and continuity of optimal running of business systems. | IT Supply contract   | Not achieved  | Project cancelled due to limited fundings |
|   |                                   |   | Disaster recovery plan   |   |   |
|   |                                   |   | IT Support Services Management contract and Network Security and monitoring system | <p>The project is 95% complete with:</p> <ul style="list-style-type: none"> <li>-Service Desk-User acceptance and training completed</li> <li>-System deployment ready for roll-out</li> <li>-Lucid view implemented</li> <li>-Assessments 100% done</li> <li>-Project scoping workshop completed</li> <li>-Finalisation of user requirements</li> <li>-Business alignment and recommendation approach done and deployment of network and bandwidth management.</li> </ul> <p><b>Achieved</b></p> |   |



## 14. INFORMATION TECHNOLOGY

| Outputs   | Indicator   | Outcome  | Annual Target 2009/2010  | Actual Achievements against Annual Target  | Reasons for Variation   |
|---|---|--|--|--|---|
| Information and process management.   | Quality information usage and availability report | Accurate and single source of truth reporting and strategic decision support aid for corporation | Implementation Business Intelligence system<br>Enterprise Content Management-Website | Overall 90% complete<br>• Payroll module 92% complete<br>• UAT conducted<br>• Training conducted<br>Website 100% implemented and Intranet 95% complete. The functionality has been developed and is in the final stages of testing prior to deployment | Project put on hold on 19 February 2010<br><br>Non existence of payroll specialist person in RTMC is delaying payroll roll out<br><br>The process of appointment of Content manager not completed |
| Strategic IT leadership, direction, support and advice on all traffic systems | Gated review report of implementation solution    | Quality turn-key implemented solution with the right and correct use and best fit technology     | Implementation of ERP, AARTO pilot, eForce and ELD projects                          | Functionality on AARTO website implemented<br>AARTO IT support continued   | None  |

## 15. CORPORATE COMMUNICATION AND PUBLIC RELATIONS

| Outputs                                       | Indicator   | Outcome                        | Annual Target 2009/2010  | Actual Achievements against Annual Target  | Reasons for Variation |
|---|---|--------------------------------|--|--|-----------------------|
| Objective: Marketing RTMC                     |   |                                |  |  |                       |
| A media publicity campaign on SABC television | Number of executed television adverts as per the schedule | Position RTMC brand nationwide | Conduct a research on new RTMC issues that affect road users and implement campaigns | Qualitative Research undertaken<br><br>Developed the concept of the advert and advert flighted on SABC<br><br>SABC Television Festive Advert (SABC 1,2 and 3)<br><br><b>Achieved</b> | N/A                   |



## 15. CORPORATE COMMUNICATION AND PUBLIC RELATIONS

| Outputs  | Indicator                                   | Outcome   | Annual Target 2009/2010  | Actual Achievements against Annual Target  | Reasons for Variation |
|--|---|---|--|--|-----------------------|
| A media publicity campaign on all SABC radio stations. | Number of radio adverts as per the schedule | Create awareness on specific RTMC core competence | Identify road traffic issues which are essential to be addressed and implement print media campaigns | <p>Interviews were conducted with the following radio stations on International Road Traffic Safety Management Conference: SAFM, 702, Talk Radio, Cape Talk, Thobela FM, Lesedi FM, Mhungana, Lenene FM, Kaya FM, Voice of the Cape, Gagasi FM &amp; Muritilo FM</p> <p>Radio interviews were conducted regarding AARTO on the following stations: SAFM, Kaya FM, Metro FM, YFM, Classic FM &amp; RSG</p> <p>Radio interviews were conducted regarding RTMC e.g.: K53, Roadlink bus accidents</p> <p>Umhlobo Wenene FM Media Campaign during festive season.</p> <p>SA FM &amp; Metro FM brand Campaign</p> <p><b>Achieved</b></p> | N/A                   |





| 15. CORPORATE COMMUNICATION AND PUBLIC RELATIONS |  |                                 |  |  |                       |
|--|--|---------------------------------|--|--|-----------------------|
| Outputs  | Indicator                                    | Outcome                         | Annual Target 2009/2010  | Actual Achievements against Annual Target  | Reasons for Variation |
| Print media                                      | Number of publications with coverage of RTMC | Ensure coverage on publications | Identify road traffic issues which are essential to be addressed and implement print media campaigns | <p>Advertorial in CEO Magazine</p> <p>Production of Traffic Focus edition</p> <p>Placement of an advert about the Conference in Cape Argus, City Press.</p> <p>Placements of a conference advert in Traffic Focus and GCIS website</p> <p>Press releases prepared for coverage of the Brandhouse RTMC Number 1 Taxi</p> <p>Advertorial in Commuter SA Magazine</p> <p>Advertorial in Leadership Magazine</p> <p>Press release prepared and distributed to media houses for coverage of the National Participatory Educational Techniques</p> <p>Coverage of the Participatory Educational Techniques Competition in the Mercury Newspaper</p> <p><b>Achieved</b></p> |                       |



## 15. CORPORATE COMMUNICATION AND PUBLIC RELATIONS

| Outputs  | Indicator   | Outcome                        | Annual Target 2009/2010  | Actual Achievements against Annual Target   | Reasons for Variation  |
|--|---|--------------------------------|--|---|--|
| Objective: Internal and External communication for informed stakeholders |   |                                |  |   |  |
| External stakeholder engagements   | External stakeholder communication audit report & surveys | Informed stakeholders          | Establish external stakeholders needs analysis and implement identified programmes | <p>Exhibition done at the following events:</p> <p>National Road Safety Debates Competition successfully hosted</p> <p>Johannesburg Easter Festival</p> <p>Bloem Show</p> <p>KZN Royal Show</p> <p>Budget Vote</p> <p>Take a girl child to work</p> <p>Youth Convention</p> <p>Exhibitions at the Transport Month</p> <p>Successful exhibitions at the AU Maritime Conference in Durban</p> <p>Successful exhibitions at the International Road Safety Seminar in Cape Town</p> <p>National Participatory Educational Techniques in Durban.</p> <p>Umhlobo Wenene PR Festive Campaign in partnership with Eastern Cape Province</p> | Exhibitions planned for September could not take place due to the Road Traffic Safety Management Conference. |
| Internal stakeholder engagements   | Internal stakeholder communication audit report.          | Improve employees relationship | Implementation of the internal stakeholder programme                               | Coordinated 6 internal stakeholder programmes<br><b>Achieved</b>  | None   |



| 15. CORPORATE COMMUNICATION AND PUBLIC RELATIONS  |   |   |   |   |   |
|---|---|---|---|---|---|
| Outputs   | Indicator   | Outcome   | Annual Target 2009/2010   | Actual Achievements against Annual Target   | Reasons for Variation   |
| Media relations   | Positive media clippings<br>Improved media relationship | Positive, balanced and fair coverage of the RTMC<br><br>Ensure media networking interventions       | Identify negative media houses or journalists through media reports analysis and respond                | <p>107 Email media enquiries received and responded to</p> <p>Press conference successfully held on 16 April 2009</p> <p>100% Telephonic media queries handled</p> <p>Facilitation for media interviews</p> <p>Current affairs- Ukhozi FM, talk shows- Khaya FM, talk shows- Lesedi FM, current affairs- Thobela FM, SA FM interviews</p> <p>Talk radio 702 interviews and sound bytes.</p> <p>Community radio Interviews and Native radio interviews.</p> <p>Print Media Interviews.</p> <p>Radio &amp; TV interviews and press conference media release issued on</p> <ul style="list-style-type: none"> <li>• Transport month</li> <li>• AARTO issues</li> <li>• Festive season</li> </ul> | Submission for the appointment of service provider for media monitoring done waiting for the approval |
| Objective: Coordinate and manage strategic events   |   |   |   |   |   |
| <p>Transport month events, i.e. DOTY, conferences etc managed.</p> <p>Coordinate all RTMC internal events as per the calendar of events</p> | Events reports  | <p>Well coordinated events within October month</p> <p>Effective coordinated of all RTMC events</p> | <p>Well coordinated RTMC events</p> <p>Continuity of the implementation of all RTMC internal events</p> | <p>Participates in the launch of October month and Arrive alive campaign</p> <p>Managed all PR and media plan for all strategic events</p> <p>Staff are educated on road safety and practical techniques and tips are offered</p> <p><b>Achieved</b></p>  | None  |





| 15. CORPORATE STRATEGY AND REPORTING                           |   |   |   |  |  |
|--|---|---|---|--|--|
| Outputs  | Indicator   | Outcome   | Annual Target<br>2009/2010                                      | Actual<br>Achievements<br>against Annual<br>Target   | Reasons for<br>Variation   |
| Objective: To coordinate the development of Corporate Strategy |   |   |   |  |  |
| Strategic Plan documents produced and distributed              | Consultations<br><br>Draft Strategic Plan document<br><br>Compliance Strategy | Compliance with legislation, NT regulations & policies. | Compliant 2009-12 strategy                                      | Final copy of 2009-2012 Strategic Plan printed and distributed.<br><br>Final draft Strategic Plan 2010/11-2013/14 and the Annual Performance Plan developed.<br><br>Achieved | None   |
|  |   |   | An approved 2015 Road Traffic Safety Management Plan            | 2015 Road Traffic Safety Management Plan approved by Shareholders Committee for final consultation   | A decision has to be taken on the approval and adoption of the plan as a road safety roadmap |
|  |   |   | Develop a corporate scorecard for performance management system | Not achieved   | Project put on hold due to budget reprioritisation   |
| Objective: To coordinate the development of business plan.     |   |   |   |  |  |
| Business Plan produced and distributed                         | Compliant Business Plan document  |   | 2009/10 Business plan document                                  | 2009/10 Business plan produced, distributed, and communicated to all staff members<br><br><b>Achieved</b>  | None   |



## 15. CORPORATE STRATEGY AND REPORTING

| Outputs   | Indicator                           | Outcome                             | Annual Target 2009/2010 | Actual Achievements against Annual Target  | Reasons for Variation |
|---|-------------------------------------|-------------------------------------|-------------------------|--|-----------------------|
| Objective: Coordinate reporting and submit reports. |                                     |                                     |                         |  |                       |
| Quarterly Reports                                   | Compliant reports submitted on time | Monitoring of programme performance | Four quarterly reports  | Four quarterly programme performance reports produced and submitted to Department of Transport.<br><b>Achieved</b> | None                  |
| Annual Report                                       |                                     |                                     | Annual Report 2008/09   | Annual Report 2008/09 produced, tabled in parliament and distributed<br><b>Achieved</b>                            | None                  |

## 17. INTERNAL AUDIT

| Outputs  | Indicator  | Outcome  | Annual Target 2009/2010   | Actual Achievements against Annual Target                          | Reasons for Variation                       |
|--|--|--|---|--|---|
| Objective: To render effective internal audit services |  |  |   |  |   |
| Risk management strategy developed and implemented     | Risk register updated yearly<br>Risk Management Strategy | Assurance for achievement of Corporate Strategy                | Develop a risk management strategy and conduct risk assessment on corporate business plan and operational plans | Not achieved   | Awaiting finalisation of the strategic plan |
|  |  |  | Fraud prevention plan developed and implemented   | Fraud Prevention Plan was approved and adopted.<br><b>Achieved</b> | None  |
| 100% of the annual audit plan to be completed          | No. of Audits<br>Audit Reports                           | Assurance on effectiveness and efficiency of internal controls | Conduct Audits as per 2007/08-2009/10 audit plan  | 13 audits conducted as per audit plan.<br><b>Achieved</b>          | None  |



| 18. CORPORATE SECRETARIAT  |   |   |   |  |                       |
|--|---|---|---|--|-----------------------|
| Outputs  | Indicator   | Outcome                                 | Annual Target 2009/2010                           | Actual Achievements against Annual Target  | Reasons for Variation |
| Objective: To provide effective and efficient secretariat services to all governing structures |   |   |   |  |                       |
| Develop committee standards  | Number of meetings held to plan                   | Comprehensive committee standards       | Implement committee standards                     | <p>Six EXCO and 5 MANCO meetings held</p> <p>Nine RTMC Board meetings held (03 were special meetings)</p> <p>Six RTIA Board meetings held</p> <p>Four Finance committee meeting held</p> <p>Three Audit committee meetings held</p> <p>Three Safety Committee meetings held</p> <p>One Shareholders Committee and Annual General Meetings held.</p> <p>Two REMCO meetings held</p> <p>Three Governance Committee meetings held</p> | None                  |
| Develop committee structure and referral system  | Committee structure and referral system developed | Committee structure and referral system | Implement committee structure and referral system | 50% complete and all the Board Committees are being reviewed as recommended by the Governance Committee.   | None                  |
| Objectives: To enhance the Corporate governance framework in the Corporation                   |   |   |   |  |                       |





| 18. CORPORATE SECRETARIAT   |   |  |  |  |                                |
|---|---|--|--|--|--------------------------------|
| Outputs   | Indicator   | Outcome  | Annual Target 2009/2010                              | Actual Achievements against Annual Target  | Reasons for Variation          |
| Finalise corporate governance framework   | Number of audit findings implemented to plan                    | Corporate governance framework                   | Implement corporate governance framework             | Not achieved.  | Work in progress               |
| Completed delegation of authority framework   | Number deviations to the delegations across the organisation    | Delegation of authority framework                | Implement delegation of authority                    | 50% complete. Delegations in terms of the Board Charter and Board Committees' Terms of Reference were tabled and discussed at the Governance Committee meeting.  | Awaiting approval by the board |
| Developed corporate governance and board induction manuals                                      | Publication of corporate governance and board induction manuals | Corporate governance and board induction manuals | Conduct corporate governance workshops and induction | Not achieved   | Work in progress               |
| Developed Code of Conduct and Ethics for the Corporation  | Adherence to Code of Conduct and Ethics                         | Code of Conduct and Ethics                       | Implement Code of Conduct and Ethics                 | The Code was tabled and discussed at the Governance Committee meeting held on 30 June 2009, inputs made thereto and is currently being refined. It is important to stress that conflict of interests / declaration of interests are reported and noted at all board and board committee meetings | Work in progress               |
| Objective: To ensure compliance by the Corporation to all statutory and governance imperatives. |   |  |  |  |                                |



## 18. CORPORATE SECRETARIAT

| Outputs                      | Indicator                            | Outcome  | Annual Target 2009/2010   | Actual Achievements against Annual Target  | Reasons for Variation                     |
|------------------------------|--------------------------------------|--|---------------------------|--|---|
| Develop compliance framework | 100% compliance as per the framework | Compliance framework developed and operational | Conduct compliance audits | The legislative compliance matrix had been tabled at the Governance Committee meeting. | Awaiting approval by Governance Committee |

## 19. FINANCIAL SERVICES

| Outputs   | Indicator                                 | Outcome  | Annual Target 2009/2010   | Actual Achievements against Annual Target   | Reasons for Variation  |
|---|---|--|---|---|--|
| Objective: Ensure effective and efficient financial management and reporting in compliance with relevant prescripts |   |  |   |   |  |
| Financial management policies and procedures developed and implemented  | Approved policies                         | Improved compliance and control                                      | Finance policies reviewed   | Twelve draft policies in place<br>Six policies were circulated to Exco and further inputs received.   | Policies still to be reviewed to ensure consistency with the ERP solution. |
| In year monitoring and annual financial statements developed  | Submission to EXCO Board, NDoT, NT and AG | Expenditure in line with approved budget<br>Unqualified audit report | Improved management reporting   | Annual financial statements submitted to AG on time.<br>Three quarterly management reports produced.<br>Unqualified audit report with 2 matters of emphasis<br>Achieved                       | None   |
| Revenue/Donor funding managed   | Secure additional revenue/funding         | Income growth to meet budget   | Develop policies and financing model to govern private sector investments in road traffic | Relevant baseline documents obtained and currently being reviewed.<br>Proposal obtained for the updating of the AARTO financial model from the service provider which developed the model.    | Work in progress   |
|   |   |  | Revenue streams identified and implemented  | High level strategy document developed and discussed with the steering committee.<br>Preliminary discussions held with Treasury on the process of implementing the different revenue streams. | Work in progress   |



| 19. FINANCIAL SERVICES  |  |   |  |  |                       |
|---|--|---|--|--|-----------------------|
| Outputs   | Indicator                              | Outcome   | Annual Target 2009/2010                                | Actual Achievements against Annual Target  | Reasons for Variation |
|   |  |   | 100% recording of donor funds                          | <p>List of sponsorships maintained</p> <p>Expenditure reports for donor funding or sponsorships done as part of the normal expenditure reports.</p> <p><b>Achieved</b></p>   | None                  |
|   | Improved collection mechanisms         | % increased in collection   | Development of revenue strategy                        | Revenue generation strategy document which outlines all the various streams developed and still in draft form  | Work in progress      |
|   |  |   | 100% collection of own revenue                         | <p>Transaction fees collected = R 230 217 308 collected on total bill of R330 795 562.</p> <p>AARTO infringements and fines collected = R53 million to date.</p>   | None                  |
| Supply Chain Management systems in compliance with relevant prescripts implemented, maintained and improved | 100% compliance with relevant policies | <p>Alignment of Preferential Policy Framework Act with Broad Based Economic Empowerment</p> <p>Unqualified Audit report</p> <p>Fixed asset register which is GAAP compliant</p> | 50% increase in BEE service provider                   | <p>A total number of 581 suppliers registered on the database to date .</p> <p>Reporting submitted to Treasury on Norms and Standards.</p> <p>Eleven bids evaluated and awarded in line with the PPPFA.</p> <p><b>Achieved</b></p> | None                  |
|   |  |   | 100% compliance with SLAs by service providers         | <p>Twenty five SLA's are signed and approved</p> <p><b>Achieved</b></p>  | None                  |
|   |  |   | Management of and monitoring asset register and assets | <p>Asset Register updated on quarterly basis</p> <p><b>Achieved</b></p>  | None                  |





| 19. FINANCIAL SERVICES  |   |                              |  |   |                       |
|---|---|------------------------------|--|---|-----------------------|
| Outputs   | Indicator                                     | Outcome                      | Annual Target 2009/2010  | Actual Achievements against Annual Target   | Reasons for Variation |
| Objective: To provide strategic support                                     |   |                              |  |   |                       |
| Develop and implement an integrated client relationship management strategy | Approved client charter and service standards | Improved client relationship | Develop and implement client charter   | Not achieved  | None                  |
| Develop and implement transversal system                                    | 100% functional systems                       | Improved service delivery    | Procurement and implementation of ERP (Finance module, Travel management system) | The ERP system is under development and managed under Information Technology. Progress is noted above | None                  |





## SECTION 8

# ROAD TRAFFIC MANAGEMENT CORPORATION

### Annual Financial Statements For The Year Ended 31 March 2010

#### Corporate Information

|                  |  |
|------------------|--|
| <b>Directors</b> | Dr JD Sampson (Non executive chairperson)      |
|                  | Mr RJ Rakgoale (on suspension)                 |
|                  | Mr CP Letsoalo (Acting CEO)                    |
|                  | Mr AM Mawela (Non executive member)            |
|                  | Mr TM Malaza (Non executive member)            |
|                  | Ms EM du Toit (Non executive member)           |
|                  | Mr MK Mafani (Non executive member)            |
|                  | Mr HP van Tonder (Non executive member)        |
|                  | Ms TP Mabaso (Non executive member ex officio) |

|                         |                       |
|-------------------------|-----------------------|
| <b>Business address</b> | Hazeldean Office Park |
|                         | 687 Silver Lakes Road |
|                         | Tijger Vallei         |
|                         | Tshwane               |

|                       |                   |
|-----------------------|-------------------|
| <b>Postal address</b> | Private Bag x 147 |
|                       | Pretoria          |
|                       | 0001              |

|                |                     |
|----------------|---------------------|
| <b>Bankers</b> | Standard Bank       |
|                | First National Bank |

|                 |                                 |
|-----------------|---------------------------------|
| <b>Auditors</b> | Auditor General of South Africa |
|-----------------|---------------------------------|



## Annual Financial Statements for the year ended 31 March 2010

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| The reports and statements set out below comprise the annual financial statements presented to the Minister of Transport:   |         |
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| Accounting Authority Report   | 114-116 |
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| The following supplementary information does not form part of the annual financial statements and is unaudited:   |         |
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## Annual Financial Statements for the year ended 31 March 2010

### Approval and Statement of Responsibility

The accounting authority, which is the Board of Directors of the Road Traffic Management Corporation (RTMC), is responsible for the maintenance of adequate accounting records and the preparation, integrity and fair presentation of the financial statements of the corporation and related information. As at the reporting date, the RTMC had no Board of Directors. As in accordance with section 49 of the PFMA, the chief executive officer of the entity shall act as the accounting authority where the board or controlling body is not in place.

The Auditor General of South Africa is responsible for independently auditing and reporting on the fair presentation of the financial statements in conformity with International Standards of Auditing.

The accounting authority is also responsible for the systems of internal financial controls. These are designed to provide reasonable, but not absolute assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatements and losses. Nothing has come to the attention of the accounting authority to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The financial statements have been prepared on the going concern basis, since the accounting authority has every reason to believe that the Corporation has resources in place to continue in operation for the foreseeable future.

The accounting authority is satisfied that the information contained in the financial statements fairly presents the results of the operations for the year and the financial position of the corporation at year end.

The annual financial statements set out on pages 117 to 153 have been approved by the accounting authority and were signed on its behalf by:

**Mr. Collins Letsoalo**  
**Acting Chief Executive Officer**  
**Accounting Authority**



## **Report of the Auditor-General to Parliament on the Financial Statements and Performance Information of the Road Traffic Management Corporation for the year ended 31 March 2010**

### **Report On The Financial Statements**

#### **Introduction**

I have audited the accompanying financial statements of the Road Traffic Management Corporation (RTMC), which comprise the statement of financial position as at 31 March 2010, and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 117 to 153.

#### **Accounting Authority's responsibility for the financial statements**

The accounting authority is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and in the manner required by the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### **Auditor-General's responsibility**

As required by section 188 of the Constitution of South Africa and section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with International Standards on Auditing and General Notice 1570 of 2009 issued in Government Gazette 32758 of 27 November 2009. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

#### **Basis for adverse audit opinion**

##### **Road Traffic Infringement Agency**

In terms of section 3 of the Administrative Adjudication of Road Traffic Offence Act of South Africa, 1998 (Act No. 46 of 1998) (AARTO Act), the Road Traffic Infringement Agency (RTIA) was established with effect from 2 July 2007 as a juristic person responsible to the Minister of Transport. The Minister, in section 2 of the regulations used in terms of AARTO, promulgated that the administrative function of the RTIA that arises as a result of the infringement notices, etc shall be executed by the RTMC on behalf of the RTIA.

As disclosed in paragraph 13 of the accounting authority's report and note 35 to the financial statements, the RTIA is not yet listed or scheduled as required in terms of section 47(2) of the PFMA and the expenditure and the revenue relating to these administrative functions are therefore included in the financial statement of the RTMC. The RTIA should have submitted separate financial statements in terms of section 14(3) of AARTO and the failure to submit separate financial statements resulted in the RTMC's financial statements materially overstated with the following amounts:



| Account   | Amount 2010  | Amount 2009 |
|---|--------------|-------------|
| Trade and other receivable (note 3 to the financial statements) | R109 513 475 | R21 082 466 |
| Cash and cash equivalents (note 5 to the financial statements)  | R45 471 678  | R8 216 686  |
| Trade and other payables (note 8 to the financial statements)   | R41 963 957  | R8 216 686  |
| Income  | R92 554 274  | R21 082 446 |
| Operating expenditure (note 17 to the financial statements)     | R95 937 946  | R31 454 664 |

Furthermore, included in furniture and fixtures, office equipment and computer equipment (note 6 to the financial statements) are assets that are utilised for the purposes of the RTIA. There are also staff members dedicated to the functions of the RTIA (AARTO) while the administrative staff also perform functions on behalf of the RTIA. The staff cost, as disclosed in note 20 to the financial statements as well as property, plant and equipment (note 6) are overstated by unknown amounts as these could not be reasonably quantified during the audit.

#### Fiscal sustainability

Although the accounting authority have indicated that the financial statements have been prepared on the going concern basis, the statement of financial performance as note 36 to the financial statements indicates the RTMC incurred a net loss of R88 156 782 during the year ended 31 March 2010. Taking the effect of the RTIA (AARTO) into account, the RTMC incurred a net loss of approximately R84 773 110 and, as of that date, the entity's current liabilities (excluding RTIA) exceeded its total assets (excluding RTIA and eNaTIS) by R134 017 644. These conditions, along with fact that the entity budgeted for a deficit, indicate the existence of a material uncertainty that may cast significant doubt on the entity's ability to operate as a going concern.

#### Adverse audit opinion

In my opinion, because of the significance of the matters described in the Basis for adverse opinion paragraphs, these financial statements do not present fairly the financial position of the Road Traffic Management Agency as at 31 March 2010 and its financial performance and its cash flows for the year then ended, in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and in the manner required by the PFMA.

#### Emphasis of matter

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

#### Restatement of corresponding figures

As disclosed in note 10 to the financial statements, the corresponding figures for 2009 have been restated as a result of an error discovered during 2010 in the financial statements of the RTMC at, and for the year ended, 31 March 2009.

#### Irregular expenditure

As disclosed in note 31 to the financial statements, irregular expenditure to the amount of R360 879 704 was incurred, as a proper tender process had not been followed and transactions fee owed to the Department of Transport was utilized irregularly by the RTMC. The amount previously declared as irregular expenditure was adjusted with R12 108 470 in the current financial year as additional irregular expenditure relating to the 2008/09 financial year was discovered in the current year.

#### Fruitless and wasteful expenditure

As also disclosed in note 31 to the financial statements, fruitless and wasteful expenditure to the amount of R17 520 706 was incurred, as employees were paid after resignation date, interest paid as well as a discontinued system. The amount previously declared as fruitless and wasteful expenditure was adjusted with R45 960 in the current financial year as additional fruitless and wasteful expenditure relating to the 2008/09 financial year was discovered in the current year.





## Report On Other Legal And Regulatory Requirements

In terms of the PAA of South Africa and General notice 1570 of 2009, issued in Government Gazette No. 32758 of 27 November 2009 I include below my findings on the report on predetermined objectives, compliance with the PFMA, RTMC Act, AARTO Act and financial management (internal control).

### Findings

#### Predetermined objectives

##### Planned and reported performance targets not specific, measurable and time bound

For the selected objectives, 100% of the planned and reported targets were not:

- specific in clearly identifying the nature and the required level of performance;
- measurable in identifying the required performance;
- time bound in specifying the time period or deadline for delivery.

##### Planned and reported indicators/measures not well defined

For the selected objectives, 32% of the planned and reported indicators/measures were not clear, with an unambiguous definition to allow for data to be collected consistently.

#### Compliance with laws and regulations

##### • PFMA and Treasury Regulations of 2005

###### o Prohibited actions

Contrary to the requirements of section 53(3) of the PFMA, the RTMC have budgeted for a deficit for the 2009/10 financial year.

###### o Non-adherence

- Contrary to the requirements of Treasury Regulation 31.1.3, budget and monthly cash flow forecast and cash flow performance reports were not prepared at least on a monthly basis.
- Contrary to the requirements of Treasury Regulation 27.1 and sections 76(4)(d) and 77 of the PFMA, the audit committee of the RTMC did not function properly during the year under review and did not completely fulfil its responsibility as required.
- Contrary to the requirements of Treasury Regulation 30.1.3, the strategic plan for 2009 – 2012 did not include a materiality and significance framework.

##### • RTMC Act

###### o Non-adherence

- Contrary to the requirements of section 11(2) of the RTMC Act, the shareholders committee only met once during the year under review. As a result, it could be concluded that the shareholders committee did not address all their functions as required by section 28(1).

##### • AARTO Act

###### o Non-adherence

- Contrary to the requirements of sections 14(1) and 14(4) of the AARTO Act, the RTIA did not submit separate financial statements but are included in the financial statements of the RTMC.



### Internal Control

I considered internal control relevant to my audit of the financial statements and the report on predetermined objectives and compliance with the PFMA and RTMC Act, but not for the purposes of expressing an opinion on the effectiveness of internal control. The matters reported below are limited to the deficiencies identified during the audit.

#### • Leadership

The accounting authority does not exercise oversight responsibility over financial reporting and internal control. The accounting authority has not implemented an evaluation process to determine whether management has implemented effective internal controls. Decisive action is not taken to implement corrective measures to address the risks relating to the financial transaction.

#### • Financial and performance management

The financial statements were subject to material amendments resulting from the audit, indicating that the financial statements and other information included in the annual report are not reviewed for completeness and accuracy prior to submission for audit. Furthermore, the systems used to collect and collate information on predetermined objectives did not facilitate the preparation of complete and adequate reports.

#### • Governance

Risks were not managed by selecting and developing internal controls to prevent, detect and correct material misstatements in financial reporting.

### Other Reports

#### • Investigations

An investigation was conducted by an independent consulting firm on request of the Minister of Transport. The investigation was initiated based on the allegation of irregularities regarding procurement procedures at the RTMC. Subsequently to the investigation being completed, a task team was appointed to make recommendations basis on the investigation. The report has been finalised subsequent to year end and the recommendations are being evaluated by the RTMC for the necessary corrective actions that will need to be implemented.

*Auditor - General*

Pretoria  
15 September 2010  
Auditor General of South Africa





## Annual Financial Statements for the year ended 31 March 2010

### Accounting Authority's Report

The accounting authority present the audited annual financial statements of the Road Traffic Management Corporation (the Corporation) for the year ended 31 March 2010. The annual financial statements have been prepared on the going concern basis since the accounting authority has every reason to believe that the corporation has resources in place to continue in operation for the foreseeable future.

### 1. Introduction

The Corporation is listed as a national public entity in Schedule 3 Part A of the Public Finance Management Act (Act 1 of 1999 as amended) (PFMA). It was established in terms of Section 3 of the Road Traffic Management Corporation Act, 1999 (Act No 20 of 1999) (the RTMC Act).

The function of the Corporation is to pool powers and resources and to eliminate the fragmentation of responsibilities for all aspects of road traffic management across the various levels of Government. The RTMC Act provides, in the public interest, for co operative and co ordinated strategic planning, regulation, facilitation and law enforcement in respect of road traffic matters by the national, provincial and local spheres of government.

The Board of Directors is the accounting authority in terms of the PFMA. As in accordance with section 49 of the PFMA, the chief executive officer of the entity shall act as the accounting authority where the board or controlling body is not in place.

### 2. Review of activities

#### Principal activities and review of operations

The Corporation is a partnership between the national, provincial and local spheres of government to specifically deal with the management of road traffic and safety issues.

In the course of implementing its mandate, the Corporation maintained focus on its objectives, which are captured in the RTMC Strategic Plan.

The total grant income for RTMC was R83,6 million (2009: R89,6 million). The operating costs amounted to R267 million (2009: R166 million).

### 3. Organisation structure

The Corporation is accountable to the Shareholders' Committee (the Shareholders) comprising of the Minister of Transport and MEC's responsible for traffic and/or transport matters in nine provinces and two representatives of SALGA, who in terms of the PFMA, is the executive authority.

The Board of Directors may be appointed by the Shareholders and comprises of 7 members plus the Chief Executive Officer.

The Shareholders dissolved the Board of the Corporation in April 2010.

Management comprises of heads of functional units and support units who are appointed by the Chief Executive Officer.

### 4. Events subsequent to Statement of Financial Position Date

The Shareholders decided in the meeting of April 2010 to dissolve the Board of the Corporation.

The Corporation is not aware of any other matter or circumstance which may have arisen since the end of the financial year, not otherwise dealt with in the annual financial statements, which significantly affects the position of the Corporation or the results of its operations.





### 5. Bankers

Standard Bank Ltd and First National Bank are the principal bankers of the Corporation.

### 6. Auditors

The Auditor General of South Africa is the designated auditor of the Corporation.

### 7. Directors

The Board of Directors for the period ending 31 March 2010 was constituted as follows:

Dr JD Sampson (Non executive chairperson)

Mr RJ Rakgoale (CEO) – on suspension

Mr. CP Letsoalo (Acting CEO)

Mr AM Mawela (Non executive member)

Mr TM Malaza (Non executive member)

Ms EM du Toit (Non executive member)

Mr MK Mafani (Non executive member)

Mr HP van Tonder (Non executive member)

Ms TP Mabaso (Non executive member ex officio)

### 8. Secretary

T Ramagoma resigned as Company Secretary of the Corporation on 31 August 2009 and M Kumalo was appointed for the position on 16th January 2010. Mr. R Mukhavhuli was the acting Company Secretary from the 1st September to December 2009.

### 9. Social responsibility and capacity building

The Corporation was involved in the capacity building for its employees and hosted learners from Hillview High School in the 2009 Cell-C take a girl child to work initiative, which is endorsed by the Department of Education.

### 10. Shareholder relations

The Corporation reported to and held discussions with the Executive Authority on significant events, including providing them with information on crash statistics and traffic information, interaction with the Department of Transport on transport month, Driver of the Year Competition and Arrive Alive.



### 11. Materiality and significance framework

A materiality and significance framework has been reviewed during the year for reporting losses through criminal conduct and irregular, fruitless and wasteful expenditure, as well as for significant transactions envisaged per section 54(2) of the PFMA that requires Ministerial approval.

### 12. Stakeholder Relations

A great deal of interaction as part of the Corporation's outreach initiatives was carried out during the current reporting year, through meetings and forums. The Corporation maintained good relations with the stakeholders, through the Road Traffic Management Coordination Committee (RTMCC), through its technical committees dealing with various issues such as, the development of the code, namely the National Road Traffic Law Enforcement Code (NRTLEC), and policy/decision makers, the Department of Transport and Parliamentary Portfolio Committee on Transport. In addition, the Corporation interacted with civil society and maintained relations with other strategic cooperatives such as the media and the general public.

### 13. Road Traffic Infringement Agency (RTIA)

The RTMC is empowered by AARTO regulation 2 to perform the administrative functions of the RTIA with the pilot in the Johannesburg and Tshwane metropolitan areas. The administrative functions include amongst others, issuing of courtesy letters, enforcement orders, representations as well as collection of infringement fees paid after 32 days. Due to the fact that the RTIA is not yet listed or scheduled as per the PFMA, the expenditure and the revenue relating to these administrative functions are included in the financial statement of the Corporation. The Department of Transport has started with the process of scheduling the agency in terms of the PFMA and it is expected that the agency will report on its income and expenditure in the 2010/2011 financial year. The Corporation has started with the process of creating separate accounts for the Agency.



## Statement of Financial Position as at 31 March 2010

|                                  | Note(s) | 2010<br>R          | 2009<br>R          |
|----------------------------------|---------|--------------------|--------------------|
| <b>ASSETS</b>                    |         |                    | Restated           |
| <b>Current assets</b>            |         |                    |                    |
| Advances                         | 2       | 1 108 422          | 1 108 422          |
| Trade and other receivable       | 3 & 10  | 259 822 852        | 112 569 996        |
| Non-current assets held for sale | 4       | 88 000             | 88 000             |
| Cash and cash equivalents        | 5       | 106 121 680        | 72 072 908         |
|                                  |         | <b>367 140 954</b> | <b>185 839 326</b> |
| <b>Non – current assets</b>      |         |                    |                    |
| Property, plant and equipment    | 6       | 15 164 993         | 24 390 601         |
| Intangible assets                | 7       | 67 659 336         | 60 137 187         |
|                                  |         | <b>82 824 329</b>  | <b>84 527 788</b>  |
|                                  |         |                    |                    |
| <b>TOTAL ASSETS</b>              |         | <b>449 965 283</b> | <b>270 367 114</b> |
|                                  |         |                    |                    |
|                                  |         |                    |                    |
| <b>LIABILITIES</b>               |         |                    |                    |
|                                  |         |                    |                    |
| <b>Current liabilities</b>       |         |                    |                    |
| Trade and other payables         | 8 & 10  | 446 725 328        | 179 178 940        |
| Provisions                       | 9       | 1 675 114          | 1 466 551          |
|                                  |         | <b>448 400 442</b> | <b>180 645 491</b> |
|                                  |         |                    |                    |
| <b>TOTAL LIABILITIES</b>         |         | <b>448 400 442</b> | <b>180 645 491</b> |
|                                  |         |                    |                    |
| Accumulated Surplus              |         | 1 564 841          | 89 721 623         |
|                                  |         |                    |                    |
|                                  |         | <b>449 965 283</b> | <b>270 367 114</b> |





### Statement of Financial Performance for the period ended 31 March 2010

|                             | Note(s) | 2010<br>R           | 2009<br>R           |
|-----------------------------|---------|---------------------|---------------------|
|                             |         |                     | Restated            |
| Grant income                | 14      | 83 603 000          | 89 588 000          |
| AARTO Infringements fees    | 15      | 92 554 274          | 21 082 466          |
| Other income                | 16      | 1 273 525           | 84 924              |
| Operating expenses          | 17      | (267 490 005)       | (166 235 535)       |
| <b>Operating Deficit</b>    |         | <b>(90 059 206)</b> | <b>(55 480 145)</b> |
| Finance revenue             | 18      | 4 354 437           | 13 480 584          |
| Finance costs               | 19      | (2 452 013)         | (2 425 968)         |
| <b>Deficit for the year</b> |         | <b>(88 156 782)</b> | <b>(44 425 529)</b> |

### Statement of Changes in Net Assets as at 31 March 2010

|  |    | Accumulated<br>surplus/ (deficit) | Total net assets   |
|--|----|-----------------------------------|--------------------|
|  |    | <b>R</b>                          | <b>R</b>           |
| Balance as at 01 April 2008 as previously reported |    | 20 729 531                        | 20 729 531         |
| Change in accounting policy                        | 11 | 112 799 047                       | 112 799 047        |
| Prior year error adjustment                        | 10 | 618 574                           | 618 574            |
| <b>Restated balance as at 01 April 2008</b>        |    | <b>134 147 152</b>                | <b>134 147 152</b> |
| Surplus for the year                               |    | (44 425 529)                      | (44 425 529)       |
| <b>Balance as at 01 April 2009</b>                 |    | <b>89 721 623</b>                 | <b>89 721 623</b>  |
| Deficit for the year                               |    | (88 156 782)                      | (88 156 782)       |
| <b>Balance as at 31 March 2010</b>                 |    | <b>1 564 841</b>                  | <b>1 564 841</b>   |



## Cash Flow Statement for the year ended 31 March 2010

|   | Note(s) | 2010<br>R           | 2009<br>R           |
|---|---------|---------------------|---------------------|
|   |         |                     | Restated            |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>             |         |                     |                     |
| Receipts  |         | 381 132 656         | 323 980 117         |
| Payments  |         | (333 740 222)       | (322 389 696)       |
| <b>Cash generated from operations</b>                   | 22      | <b>47 392 434</b>   | <b>1 590 421</b>    |
| Finance revenue   | 18      | 4 354 437           | 13 480 584          |
| Finance costs   | 19      | (2 452 013)         | (2 425 968)         |
| <b>Net cash from operating activities</b>               |         | <b>49 294 858</b>   | <b>12 645 037</b>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>             |         |                     |                     |
| Purchase of property, plant and equipment               | 6       | (6 977 190)         | (17 104 499)        |
| Purchase of intangible assets                           | 7       | (8 268 896)         | (60 231 299)        |
| <b>Net cash from investing activities</b>               |         | <b>(15 246 086)</b> | <b>(77 335 798)</b> |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>             |         |                     |                     |
| <b>Net cash from financing activities</b>               |         | -                   | -                   |
| <b>TOTAL CASH MOVEMENT FOR THE YEAR</b>                 |         | <b>34 048 772</b>   | <b>(64 690 761)</b> |
| Cash at the beginning of the year                       |         | 72 072 908          | 136 763 669         |
| <b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b> | 5       | <b>106 121 680</b>  | <b>72 072 908</b>   |



## Accounting Policies

### 1. Significant accounting policies

The Road Traffic Management Corporation (RTMC) is a National Public Entity as specified in Schedule 3A of the Public Finance Management Act (PFMA), Act No. 1 of 1999 (as amended by Act 29 of 1999).

The principle accounting policies applied in the preparation and presentation of these financial statements are set out below. These policies have been consistently applied to the years presented, unless otherwise stated.

#### 1.1 Basis of preparation

The Road Traffic Management Corporation financial statements are prepared in compliance with Generally Recognised Accounting Practice (GRAP), as determined by Directive 5 (Determining the GRAP Reporting Framework) issued by the Accounting Standards Board (ASB) in accordance with Section 55 and 89 of the Public Finance Management Act, Act No. 1 of 1999 (as amended by Act 29 of 1999).

These financial statements are prepared in concurrence with the going concern principle and on an accrual basis with the measurement base applied being the historical cost unless stated otherwise.

In terms of Notice 991 and 992 in Government Gazette 28095 of December 2005 and Notice 516 in Government Gazette 31021 of 9 May 2008 the RTMC must comply with the requirements of GRAP. Directive 5 details the GRAP Reporting Framework comprising the effective standards of GRAP, interpretations (IGRAPs) of such standards issued by the ASB, ASB guidelines, ASB directives, and standards and pronouncements of other stand setters, as identified by the ASB on an annual basis. Those relevant to the RTMC are listed below:

| Title of standard | Standard  |
|-------------------|---|
| <b>GRAP 1</b>     | Presentation of Financial Statements                            |
| <b>GRAP 2</b>     | Cash Flow Statements  |
| <b>GRAP 3</b>     | Accounting Policies, Changes in Accounting Estimates and Errors |
| <b>GRAP 4</b>     | The Effects of Changes in Foreign Exchange Rates                |
| <b>GRAP 5</b>     | Borrowing Costs   |
| <b>GRAP 9</b>     | Revenue from Exchange Transactions                              |
| <b>GRAP 13</b>    | Leases  |
| <b>GRAP 14</b>    | Events after the Reporting Date                                 |
| <b>GRAP 17</b>    | Property Plant and Equipment                                    |
| <b>GRAP 19</b>    | Provisions, Contingent Liabilities and Contingent Assets        |
| <b>GRAP 102</b>   | Intangible Assets   |
| <b>IPSAS 20</b>   | Related Party Disclosures                                       |
| <b>IFRS 7</b>     | Financial Instruments: Disclosures                              |
| <b>IAS 19</b>     | Employee Benefits   |
| <b>IAS 32</b>     | Financial Instruments: Presentation                             |
| <b>IAS 39</b>     | Financial Instruments: Recognition and Measurement              |

Accounting policies for material transactions, events or conditions not covered by the GRAP reporting framework, as detailed above, have been developed in accordance with paragraphs 7, 11 and 12 of GRAP 3 and the hierarchy approved in Directive 5 issued by the Accounting Standards Board.





In applying accounting policies management is required to make various judgements, apart from those involving estimations, which may affect the amounts of items recognised in the financial statements. Management is also required to make estimates of the effects of uncertain future events which could affect the carrying amounts of certain assets and liabilities at the reporting date. Actual results in the future could differ from estimates which may be material to the financial statements. Details of any significant judgements and estimates are explained in the relevant policy where the impact on the financial statements may be material.

## 1.2 Standards and amendments to standards issued but not effective

The following standards and amendments to standards have been issued but are not effective.

| Standard   | Summary and impact   | Effective date  |
|--|--|---|
| GRAP 18 – Segment Reporting  | This standard establishes principles for reporting financial information by segments.<br><br>The impact on the financial results and disclosure is considered to be minimal.   | Issued by the ASB – March 2005<br>Effective date - To be determined by the Minister of Finance    |
| GRAP 21 – Impairment of Non-cash-generating Assets                       | This standard prescribes the procedures that the RTMC applies to determine whether a non-cash generating asset is impaired and to ensure that impairment losses are recognised.<br><br>The impact on the financial results and disclosure is considered to be minimal. | Issued by the ASB – March 2009<br>Effective date - To be determined by the Minister of Finance    |
| GRAP 23 – Revenue from Non-exchange Transactions                         | This standard prescribes the requirements for the financial reporting of revenue from non-exchange (grants and transfer payments transactions).<br><br>The impact on the financial results and disclosure is considered to be minimal.                                 | Issued by the ASB – February 2008<br>Effective date - To be determined by the Minister of Finance |
| GRAP 24 – Presentation of Budget Information in the Financial Statements | This standard requires a comparison of budget and actual amounts and an explanation for material differences.<br><br>The impact on the financial results is considered to be minimal. However the impact on disclosure is significant.                                 | Issued by the ASB – November 2007<br>Effective date - To be determined by the Minister of Finance |
| GRAP 25 – Employee Benefits  | The standard prescribes the accounting treatment and disclosure for employee benefits.<br><br>The impact on the financial results and disclosure is considered to be minimal.  | Issued by the ASB – November 2009<br>Effective date - To be determined by the Minister of Finance |
| GRAP 26 - Impairment of Cash-generating Assets                           | This standard prescribes the procedures to determine whether a cash generating asset is impaired and to ensure that impairment losses are recognised.<br><br>The impact on the financial results and disclosure is considered to be minimal.                           | Issued by the ASB – March 2009<br>Effective date - To be determined by the Minister of Finance    |
| GRAP 104 – Financial Instruments   | This standard establishes principles for recognising, measuring, presenting and disclosing financial instruments.<br><br>The impact on the financial results and disclosure is considered to be minimal.   | Issued by the ASB – October 2009<br>Effective date - To be determined by the Minister of Finance  |



| Standard  | Summary and impact  | Effective date  |
|---|---|---|
| *** Improvements to the Standards of GRAP                   | <p>Improvements are proposed to the following standards of GRAP: GRAP 1- 4, 9-14, 16-17, 19 and 100 as part of the ASB's improvement project.</p> <p>The impact on the financial results and disclosure is considered to be minimal.</p>  | Proposed effective date - 01 April 2011   |
| * Amendment to IFRS 7 – Financial Instruments: Disclosures  | <ul style="list-style-type: none"> <li>• Presentation of finance cost</li> <li>• Amendment dealing with improving disclosures of financial instruments</li> <li>• Amendments enhancing disclosures of fair value and liquidity risk</li> </ul> <p>This standard will not have an impact on the financial results or disclosure as it has been removed from the framework prescribed in Directive 5 for periods beginning on 1 April 2010.</p> | Issued by the IASB in March 2009 but the effective date was back dated to 01 January 2009. As per confirmation with the ASB, this standard is not effective for the year ended 31 March 2010. |
| ** Amendment to IFRS 7 – Financial Instruments: Disclosures | <p>Clarifications of disclosures</p> <p>The amendment to the Standard clarifies certain disclosures.</p> <p>This standard will not have an impact on the financial results or disclosure as it has been removed from the framework prescribed in Directive 5 for periods beginning on 1 April 2010.</p>   | 01 January 2011   |
| IFRS 9 – Financial Instruments                              | <p>New standard issued relating to the classification and measurement of financial assets, which will replace the relevant portions of IAS 39.</p> <p>This standard will not have an impact on the financial results or disclosure as it has been removed from the framework prescribed in Directive 5 for periods beginning on 1 April 2010.</p>   | 01 January 2013   |
| *Amendment to IAS 19 – Employee Benefits                    | <ul style="list-style-type: none"> <li>• Curtailments and negative past service cost</li> <li>• Plan administration costs</li> <li>• Replacement of term “fall due”</li> <li>• Guidance on contingent liabilities</li> </ul> <p>The impact on the financial results and disclosure is considered to be minimal.</p>   | Issued by the IASB in March 2009 but the effective date was back dated to 01 January 2009. As per confirmation with the ASB, this standard is not effective for the year ended 31 March 2010. |
| Amendment to IAS 32 – Financial Instruments: Presentation   | <p>Certain financial instruments will be classified as equity whereas, prior to these amendments, they would have been classified as financial liabilities.</p> <p>This standard will not have an impact on the financial results or disclosure as it has been removed from the framework prescribed in Directive 5 for periods beginning on 1 April 2010.</p>  | Issued by the IASB in March 2009 but the effective date was back dated to 01 January 2009. As per confirmation with the ASB, this standard is not effective for the year ended 31 March 2010. |



| Standard   | Summary and impact   | Effective date  |
|--|--|---|
| *Amendment to IAS 39 – Financial Instruments: Recognition and Measurement  | <ul style="list-style-type: none"> <li>• Reclassification of derivatives into or out of the classification of at fair value through profit or loss</li> <li>• Designating and documenting</li> <li>• Hedges at the segment level</li> <li>• Applicable effective interest rate on cessation of fair value hedge accounting</li> </ul> <p>This standard will not have an impact on the financial results or disclosure as it has been removed from the framework prescribed in Directive 5 for periods beginning on 1 April 2010.</p> | Issued by the IASB in March 2009 but the effective date was back dated to 01 January 2009. As per confirmation with the ASB, this standard is not effective for the year ended 31 March 2010. |
| Amendment to IAS 39 – Financial Instruments: Recognition and Measurement   | <p>Clarifies two hedge accounting issues:</p> <ul style="list-style-type: none"> <li>• Inflation in a financial hedged item</li> <li>• A one-sided risk in a hedged item</li> </ul> <p>This standard will not have an impact on the financial results or disclosure as it has been removed from the framework prescribed in Directive 5 for periods beginning on 1 April 2010.</p>   | 01 July 2009  |
| Amendment to IAS 39 – Financial Instruments: Recognition and Measurement   | <p>Amendments for embedded derivatives when reclassifying financial instruments.</p> <p>This standard will not have an impact on the financial results or disclosure as it has been removed from the framework prescribed in Directive 5 for periods beginning on 1 April 2010.</p>  | 01 July 2009  |
| * Amendment to IAS 39 – Financial Instruments: Recognition and Measurement | <ul style="list-style-type: none"> <li>• Treating loan prepayment penalties as closely related embedded derivatives</li> <li>• Scope exemption for business</li> <li>• Combination contracts</li> <li>• Cash flow hedge accounting</li> </ul> <p>This standard will not have an impact on the financial results or disclosure as it has been removed from the framework prescribed in Directive 5 for periods beginning on 1 April 2010.</p>   | 01 January 2010   |

### 1.3 Presentation and functional currency

These annual financial statements are presented in South African Rand.

### 1.4 Going concern assumptions

These financial statements have been prepared on a going concern basis.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.





## 1.5 Significant judgements and estimates

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements.

Significant judgements and estimates include:

- Impairment of plant, property and equipment
- Impairment of intangible assets
- Provisions
- Residual values on property, plant and equipment
- Fair values

## Property plant and equipment

In determining the useful lives and residual values of each property, plant and equipment, management took into consideration the nature of each asset type, and the usage of assets.

## Intangible assets

In determining the useful lives of computer software, management assumed the software will have to be upgraded every three to five years. The residual values of computer software and internally developed systems are regarded as zero due to the fact that computer software and internally developed systems are not saleable.

## 1.6 Property, plant and equipment

Property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with it will flow to the corporation and the cost of that item can be measured reliably.

Property, plant and equipment are disclosed at cost less accumulated depreciation and any accumulated impairments losses.

Where items of property, plant and equipment have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified.

The cost of an item of property, plant and equipment acquired in exchange for a non monetary asset, or a combination of monetary and non monetary assets is measured at its fair value. If the acquired item could not be measured at its fair value, its cost is measured at the carrying amount of the asset given up.

Subsequent expenditure is capitalised when the recognition and measurement criteria of an asset are met. If a replacement cost is recognised in the carrying amount of an item of property plant and equipment, the carrying amount of the replaced part is derecognised. The gain and loss arising from the de-recognition of an asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of an asset.

The residual values and the useful lives of each asset are reviewed at each financial year end.

Depreciation is calculated using the straight-line method to allocate their cost to the residual value over the estimated useful lives. The annual depreciation rates are based on the following estimated asset lives:

| Item                   | Average useful life |
|------------------------|---------------------|
| Furniture and fixtures | 5 years             |
| Office equipment       | 4 years             |
| Computer equipment     | 3 years             |
| Motor vehicles         | 5 years             |



The depreciation for the leasehold improvements was accelerated as a result of the cancellation of the lease as at the reporting date. The book value as at the 1st April 2009 is depreciated over 18 months, representing the revised lease period ended 31st March 2010 and a further arrangement of six months ending in September 2010.

Repairs and maintenance expenses are charged to the surplus or deficit during the financial year in which they are incurred. The cost of major renovations are included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Corporation and the cost of the items can be measured reliably.

The gain or loss arising on the disposal of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is charged to surplus or deficit. The assets residual value and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

## 1.7 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost and comprise software licenses and costs associated with the development of computer programs. The amortisation periods for intangible assets are reviewed every year-end.

Intangible assets include both acquired software and internally generated systems. Internally generated systems are recognised as intangible assets at cost including any development costs and qualifying research expenses. Internally generated systems are classified as work in progress while they are still under construction and only amortised when completed and deployed in the service delivery environment.

## Cost Model

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not provided for these intangible assets. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed every reporting date.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

| Item              | Useful life |
|-------------------|-------------|
| Computer software | 4 years     |

## 1.8 Operating lease

Leases in which a significant portion of the risk and rewards of ownership are retained by the lessor are classified as an operating lease. Operating lease payments are recognised as an expense on a straight line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease liability. This liability is not discounted. Any contingent rentals are expensed in the period they are incurred.

## 1.9 Impairment of assets

Non monetary assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flows.



## 1.10 Financial instruments

### Financial Assets

Management determines the classification of its financial assets at initial recognition.

#### Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets. The RTMC has not classified any of its financial assets in this category.

#### Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the reporting date. These are classified as non current assets. The corporation's loans and receivables comprise 'trade and other receivables' and cash and cash equivalents in the Statement of Financial Position.

#### Available for sale financial assets

Available for sale financial assets are non derivatives that are either designated in this category or not classified in any of the other categories. They are included in non current assets unless management intends to dispose of the investment within 12 months of the reporting date.

Regular purchases and sales of financial assets are recognised on the trade date which is the date on which the Corporation commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss initially recognised at fair value and transaction costs are charged to the surplus or deficit. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership. Available for sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method. The RTMC has not classified any of its financial instruments into this category.

#### Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the Statement of Financial Performance within operating expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses.

Trade and other receivables are classified as loans and receivables.

#### Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method.





### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

For the purposes of the Cash Flow Statement, cash and cash equivalents comprise cash on hand and deposits held at call with banks and investments in money market instruments.

Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdrafts are expensed as incurred.

### Effective interest rates

The Corporation used a market interest rate to discount future cash flows.

### 1.11 Employee benefits

#### Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non accumulating absences, when the absence occurs.

The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

### 1.12 Provisions

Provisions are recognised when the Corporation has a present or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made. Provisions are reviewed at reporting date and adjusted to reflect the current best estimate. Non current provisions are discounted to the present value using a discount rate based on the average cost of borrowing to the Corporation. Provisions are not recognised for future operating losses.

### 1.13 Revenue recognition

#### Grants and receipts:

Government grants are recognised when there is reasonable assurance that:

- a) the Corporation will comply with the conditions, if any, attached to them; and
- b) the grants will be received.

Government grants are recognised as income in the year in which they are received or deferred when conditions for the grant are not met.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Corporation with no future related costs is recognised as income in the period in which it becomes receivable.

#### Interest income:

Interest income is recognised on a time proportion basis using the effective interest method. When a receivable is impaired, the Corporation reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.



### **Other income:**

Other income is recognised when the outcome of the transaction can be measured reliably and the amount it is probable that economic benefits or service potential associated with the transaction will flow to the corporation.

### **AARTO Infringements fees:**

Revenue from AARTO infringements notice fees is recognised as revenue at 50% of the infringements paid after 32 days. Other fees related to the infringement are recognised as an when the courtesy letter, enforcement order, etc are issued.

### **1.14 Fruitless and wasteful expenditure**

Fruitless and wasteful expenditure is defined as expenditure that was made in vain and would have been avoided had reasonable care been exercised. The expenditure must be investigated and action taken against any official who commit such an expenditure.

Such expenditure is treated as an expense in the year in which they occur. If liability is determined and the amount subsequently recovered for an official, it is accounted for as income in the year in which it is recovered.

### **1.15 Irregular expenditure**

Irregular expenditure is defined as expenditure, other than unauthorised expenditure, incurred in contravention or not in accordance with a requirement or any applicable legislation, the PFMA or any legislation providing for procurement procedures. Irregular expenditure is accounted for as expenditure in the year in which they occurred and where subsequently recovered, it is accounted for as income in the year in which it is recovered.

### **1.16 Comparative figures**

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are reclassified. The nature and reason for the reclassification is disclosed.

### **1.17 Borrowing costs**

Borrowing costs are recognised as an expense in the period in which they are incurred.



## Notes to the Financial Statements

### 2. Advances

|               | 2010<br>R | 2009<br>R |
|---------------|-----------|-----------|
| Cash Deposits | 1 108 422 | 1 108 422 |

The amount relates to deposits paid on leased premises. Amounts of R900 422 and R208 000 were paid in the previous financial years to Mohlaleng Investment Holdings and Erf 21 Centurion (Pty) Ltd respectively to enter into a lease agreements for rental of office accommodation. The lease with Mohlaleng commenced on the 1st August 2008 was due to expire on the 31st January 2020. The contract was subsequently terminated on the 31 March 2010 due to Mohlaleng's failure to perform to the terms and conditions of the contract.

### 3. Trade and other receivables

|   |                    |                    |
|---|--------------------|--------------------|
| eNaTIS transaction fees due                                   | 149 579 456        | 90 199 884         |
| Prepayments   | 405 229            | 973 687            |
| Sundry receivables  | 324 692            | 313 959            |
| Receivables – AARTO infringements fees (Collecting Authority) | 109 513 475        | 21 082 466         |
|   |                    |                    |
|   | <b>259 822 852</b> | <b>112 569 996</b> |

### 4. Non current assets held for sale

A decision was made in 2007/08 financial year by the RTMC Board to sell the Property, Plant and Equipment detailed below. It was anticipated that the assets will be sold before 31 March 2010. During the current year circumstances that are beyond the corporation's control extended the period to complete the sale beyond one year. The corporation is still committed to its plan.

| Non-current assets held for sale |               |               |
|----------------------------------|---------------|---------------|
| Opening balance                  | 88 000        | -             |
| Motor Vehicles (2007)            | -             | 23 000        |
| Motor Vehicles (2008)            | -             | 65 000        |
| <b>Closing balance</b>           | <b>88 000</b> | <b>88 000</b> |

### 5. Cash and cash equivalents

Cash and cash equivalents consist of:

|                                  |                    |                   |
|----------------------------------|--------------------|-------------------|
| Petty cash                       | 3 032              | 2 316             |
| Cash at bank                     | 38 085 681         | 26 433 086        |
| AARTO current/call accounts      | 45 471 678         | 8 216 686         |
| eNaTIS current/call accounts     | 22 561 289         | 37 420 716        |
| Driving licences current account | -                  | 104               |
|                                  | <b>106 121 680</b> | <b>72 072 908</b> |

The accounts for AARTO, eNaTIS and Driving license are restricted and not utilized for normal daily operations.





## 6. Property, plant and equipment

2010  
R2009  
R

| Description            | 2010              |                            |                   | 2009              |                            |                   |
|------------------------|-------------------|----------------------------|-------------------|-------------------|----------------------------|-------------------|
|                        | Cost valuation R  | Accumulated depreciation R | Carrying value R  | Cost valuation R  | Accumulated depreciation R | Carrying value R  |
| Leasehold improvements | 3 092 606         | (2 121 135)                | 971 471           | 3 092 606         | (178 193)                  | 2 914 413         |
| Furniture and fixtures | 3 660 234         | (2 041 732)                | 1 618 502         | 3 444 239         | (1 328 450)                | 2 115 789         |
| Motor vehicles         | 5 206 663         | (2 496 535)                | 2 710 128         | 20 287 671        | (6 672 241)                | 13 615 430        |
| Office equipment       | 785 917           | (356 457)                  | 429 460           | 552 518           | (180 221)                  | 372 297           |
| Computer equipment     | 13 731 874        | (4 296 441)                | 9 435 433         | 7 418 770         | (2 046 098)                | 5 372 672         |
| <b>Total</b>           | <b>26 477 294</b> | <b>(11 312 301)</b>        | <b>15 164 993</b> | <b>34 795 804</b> | <b>(10 405 203)</b>        | <b>24 390 601</b> |

## Reconciliation of property, plant and equipment - 2010

| Description            | Opening balance R | Additions R      | Depreciation R     | Disposal R          | Total R           |
|------------------------|-------------------|------------------|--------------------|---------------------|-------------------|
| Leasehold improvements | 2 914 413         | -                | (1 942 942)        | -                   | 971 471           |
| Furniture and fixtures | 2 115 789         | 215 995          | (713 282)          | -                   | 1 618 502         |
| Motor vehicles         | 13 615 430        | 60 000           | (580 508)          | (10 384 793)        | 2 710 128         |
| Office equipment       | 372 297           | 246 398          | (177 147)          | (12 089)            | 429 460           |
| Computer equipment     | 5 372 672         | 6 454 797        | (2 355 603)        | (36 433)            | 9 435 433         |
| <b>Total</b>           | <b>24 390 601</b> | <b>6 977 190</b> | <b>(5 769 482)</b> | <b>(10 433 315)</b> | <b>15 164 993</b> |

## Reconciliation of property, plant and equipment 2009

| Description            | Opening balance R | Revaluation R  | Additions R       | Depreciation R     | Impairment loss R  | Total R           |
|------------------------|-------------------|----------------|-------------------|--------------------|--------------------|-------------------|
| Leasehold improvements | -                 |                | 3 092 607         | (178 194)          | -                  | 2 914 413         |
| Furniture and fixtures | 2 377 585         |                | 686 771           | (657 431)          | (291 136)          | 2 115 789         |
| Motor vehicles         | 8 908 693         |                | 7 737 906         | (2 034 474)        | (996 695)          | 13 615 430        |
| Office equipment       | 312 718           | 10 883         | 183 967           | (105 488)          | (29 783)           | 372 297           |
| Computer equipment     | 849 605           | 607 691        | 5 403 248         | (1 337 395)        | (150 477)          | 5 372 672         |
| <b>Total</b>           | <b>12 448 601</b> | <b>618 574</b> | <b>17 104 499</b> | <b>(4 312 982)</b> | <b>(1 468 091)</b> | <b>24 390 601</b> |



## Notes to the Financial Statements (continued)

## 7. Intangible assets

| Description   | 2010              |                            |                   | 2009              |                            |                   |
|---|-------------------|----------------------------|-------------------|-------------------|----------------------------|-------------------|
|   | Cost valuation R  | Accumulated depreciation R | Carrying value R  | Cost valuation R  | Accumulated depreciation R | Carrying value R  |
| Internally developed systems                        |                   |                            |                   |                   |                            |                   |
| Accident reporting system WIP                       | 57 736 347        | -                          | 57 736 347        | 57 736 347        | -                          | 57 736 347        |
| IT Service Desk and network diagnostic system – WIP | 8 186 884         |                            | 8 186 884         |                   |                            |                   |
| <b>Other software</b>                               |                   |                            |                   |                   |                            |                   |
| Computer software                                   | 3 285 117         | (1 549 012)                | 1 736 105         | 3 203 105         | (802 265)                  | 2 400 840         |
|   |                   |                            |                   |                   |                            |                   |
| <b>Total</b>  | <b>69 208 348</b> | <b>(1 549 012)</b>         | <b>67 659 336</b> | <b>60 939 452</b> | <b>(802 265)</b>           | <b>60 137 187</b> |

## Reconciliation of intangible assets 2010

| Description   | Opening balance R | Additions R      | Amortisation R   | Total R           |
|---|-------------------|------------------|------------------|-------------------|
| Internally developed systems                        |                   |                  |                  |                   |
| Accident reporting system WIP                       | 57 736 347        | -                | -                | 57 736 347        |
| IT service desk and network diagnostic system – WIP | -                 | 8 186 884        | -                | 8 186 884         |
| <b>Other software</b>                               |                   |                  |                  |                   |
| Computer software                                   | 2 400 840         | 82 012           | (746 747)        | 1 736 105         |
| <b>Total</b>  | <b>60 137 187</b> | <b>8 268 896</b> | <b>(746 747)</b> | <b>67 659 336</b> |

## Reconciliation of property, plant and equipment 2009

| Description                   | Opening balance R | Additions R       | Amortisation R   | Total R           |
|-------------------------------|-------------------|-------------------|------------------|-------------------|
| Accident reporting system WIP | -                 | 57 736 347        | -                | 57 736 347        |
| Computer software             | 349 469           | 2 494 952         | (443 581)        | 2 400 840         |
| <b>Total</b>                  | <b>349 469</b>    | <b>60 231 299</b> | <b>(443 581)</b> | <b>60 137 187</b> |



## Notes to the Financial Statements (continued)

## 8. Trade and other payables

|   | 2010<br>R          | 2009<br>R          |
|---|--------------------|--------------------|
| Creditors and accruals                            | 31 972 686         | 25 630 813         |
| Department of Transport (Operating Account)       | 221 127 399        | 51 009 676         |
| SARS (PAYE Liability)                             | 116 349            | 280 390            |
| Accrued employee costs                            | 1 915 875          | 1 691 254          |
| Lease smoothing liability (refer note 12)         | 49 606             | 2 150 237          |
| Department of Transport (eNaTIS transaction fees) | 149 579 456        | 90 199 884         |
| AARTO Fines and penalties                         | 41 963 957         | 8 216 686          |
|   |                    |                    |
|   | <b>446 725 328</b> | <b>179 178 940</b> |

## 9. Provisions

## Reconciliation of provisions – 2010

|                             | Opening balance<br>R | Additions<br>R   | Utilised during the<br>year<br>R | Total<br>R       |
|-----------------------------|----------------------|------------------|----------------------------------|------------------|
| Service Bonus (13th Cheque) | 906 516              | 1 027 554        | (906 516)                        | 1 027 554        |
| Performance Bonus           | 560 035              | 647 560          | (560 035)                        | 647 560          |
|                             |                      |                  |                                  |                  |
|                             | <b>1 466 551</b>     | <b>1 675 114</b> | <b>(1 466 551)</b>               | <b>1 675 114</b> |

## Reconciliation of provisions – 2009

|                             | Opening balance<br>R | Additions<br>R   | Utilised during the<br>year<br>R | Total<br>R       |
|-----------------------------|----------------------|------------------|----------------------------------|------------------|
| Service Bonus (13th Cheque) | 604 793              | 906 516          | (604 793)                        | 906 516          |
| Performance Bonus           | 1 822 823            | 1 112 551        | (2 375 339)                      | 560 035          |
|                             | <b>2 427 616</b>     | <b>2 019 067</b> | <b>(2 980 132)</b>               | <b>1 466 551</b> |





## 10. Prior year error

During 2008/09 financial year, the Corporation incorrectly raised receivables in relation to the AARTO reimbursement costs and offset some costs against eNaTIS transaction fees. Transaction fees payable to the Department of Transport were incorrectly offset against costs incurred by the Corporation.

|   | 2010 | 2009              |
|---|------|-------------------|
|   | R    | R                 |
| <b>Statement of Financial Position</b>                  |      |                   |
| Decrease in trade and other receivables – DoT debtors   |      | (11 721 308)      |
| Increase in trade and other payables – transaction fees |      | (68 682 687)      |
| Decrease in deferred income                             |      | <b>80 403 995</b> |

Some expenses and revenue were relating to the 2008/09 financial year were incorrectly excluded from the financial statements. These relate to AARTO income incorrectly excluded in the financial statements, debts collected but not appropriately recorded and the review and extension of useful lives of assets.

|  | 2010 | 2009         |
|--|------|--------------|
|  | R    | R            |
| Increase in receivables (AARTO income) – statement of financial position                             |      | 21 082 466   |
| Increase in AARTO revenue – statement of financial performance                                       |      | (21 082 466) |
|  |      |              |
| Increase in accumulated surplus (review of assets useful lives) – Statement of changes in net assets |      | (618 574)    |
| Decrease in accumulated depreciation   |      | 618 574      |
|  |      |              |
| Decrease in accumulated surplus – statement of financial position                                    |      | (45 960)     |
| Increase in interest – statement of financial performance  |      | 45 960       |

## 11. Change in accounting policy and estimates

### 11.1 Change in accounting policy

During the year the Corporation changed its accounting policy with respect to the treatment of grant income. In the previous periods, the Corporation recognised as income over the periods necessary to match them with the related costs that they are intended to compensate. The Corporation has now decided to recognise governments' grants in the year in which they were received as there are no conditions associated with such grants.

The amounts recognised as revenue in 2009 and prior periods are adjusted in accordance with the relevant provisions of GRAP 3.

**Statement of Financial Performance****2010**  
**R****2009**  
**R**

|              |   |              |
|--------------|---|--------------|
| Grant Income | - | (76 042 343) |
|--------------|---|--------------|

**Statement of Financial Position****2010**  
**R****2009**  
**R**

|  |   |              |
|--|---|--------------|
| Deferred revenue                                 | - | (36 756 706) |
|  |   |              |
| Accumulated surplus                              | - | (76 042 343) |
|  |   |              |
| Effect on the opening surplus as at 1 April 2009 | - | 112 799 047  |
|  |   |              |

**11.2 Change in accounting estimates**

During the year, the depreciation for the leasehold improvements was accelerated as a result of the cancellation of the lease as at the reporting report. The book value as at the beginning of the year is depreciated over 18 months, representing the revised lease period ended 31 March 2010 and a further arrangement of six months ending in September 2010. The impact of the change in accounting estimate was as follows:

**2010**  
**R****2009**  
**R**

|  |           |  |
|--|-----------|--|
| Depreciation as per the original useful life | 268 762   |  |
|  |           |  |
| Depreciation as per the revised useful life  | 1 942 942 |  |

**12. Lease smoothing liability**

The lease smoothing liability is the difference between the lease expense and lease payment. The amount accrued relates to the rental of property located at Silver Lakes held with Mohlaleng Investment Holdings, and the rental of the photocopy machine held with Konica Minolta and Nashua. The lease smoothing liability is written back to income as the lease agreement was subsequently terminated on the 31st March 2010.

**13. Accrued Employee Cost**

|   | 2010<br>R        | 2009<br>R        |
|---|------------------|------------------|
| <b>Leave</b>                              |                  |                  |
| Opening balance                           | 1 691 225        | 3 149 204        |
| Utilisation of provisions during the year | (1 691 255)      | -                |
| Accruals made during the year             | 1 915 875        | (1 457 949)      |
| <b>Closing balance</b>                    | <b>1 915 875</b> | <b>1 691 255</b> |
| <b>Salary back pay</b>                    |                  |                  |
| Opening balance                           | -                | 77 237           |
| Utilisation of provisions during the year | -                | (77 237)         |
| <b>TOTAL</b>                              | <b>1 915 875</b> | <b>1 691 255</b> |

**14. Grant income**

Grant income represents government grant allocation received from the Department of Transport.

|                         |                   |                   |
|-------------------------|-------------------|-------------------|
| Government grant income | 83 603 000        | 89 588 000        |
|                         |                   |                   |
|                         | <b>83 603 000</b> | <b>89 588 000</b> |

**15. AARTO Infringements fees**

The RTMC is empowered by the regulation 2 of the AARTO Act to perform administrative functions of the Road Traffic Infringement Agency (RTIA). The administrative functions of the RTIA include issuing of courtesy letters, enforcement orders, representations as well as collection of infringement fees paid after 32 days.

|                                      | 2010<br>R         | 2009<br>R         |
|--------------------------------------|-------------------|-------------------|
| Collection Agency fee – 3% fee       | 735 009           | -                 |
| Discount charge – infringements fees | 89 257 570        | 21 082 466        |
| Courtesy fees                        | 2 256 915         | -                 |
| Enforcement fees                     | 298 120           | -                 |
| Representation fees                  | 3 000             | -                 |
| Partial penalty fees                 | 3 360             | -                 |
| Revocation fees                      | 300               | -                 |
|                                      | <b>92 554 274</b> | <b>21 082 466</b> |



**16. Other income**

|   | 2010<br>R        | 2009<br>R     |
|---|------------------|---------------|
| Sundry Income                             | 62 275           | -             |
| Tender fees                               | 158 500          | 78 500        |
| Discount received                         | -                | 6 424         |
| International Road Safety conference fees | 1 052 750        | -             |
|   | <b>1 273 525</b> | <b>84 924</b> |

**17. Operating expenditure**

Operating expenditure of R267490 005 (2009: R166 235 535) mainly represent the following items:

|  |            |            |
|--|------------|------------|
| Depreciation, amortisation and impairment    | 6 516 230  | 5 766 129  |
| eNaTIS recoverable expenses                  | -          | 10 941 832 |
| Lease rentals on operating lease             | 4 387 788  | 7 289 633  |
| Projects – Appropriation                     | 55 706 218 | 49 509 136 |
| Projects – eNaTIS                            | 2 136 603  | 993 854    |
| Projects – AARTO                             | 95 757 052 | 31 454 664 |
| Salaries and wages                           | 53 363 192 | 36 550 562 |
| Assets write-off & intangible assets retired | 27 746 014 | 471 396    |

**18. Finance revenue**

|                                   | 2010<br>R        | 2009<br>R         |
|-----------------------------------|------------------|-------------------|
| Interest revenue                  |                  |                   |
| Interest received                 | 304 654          | 10 510 536        |
| Fair value adjustment – creditors | 4 049 783        | 2 970 048         |
|                                   | <b>4 354 437</b> | <b>13 480 584</b> |

**19. Finance costs**

|                                 |                  |                  |
|---------------------------------|------------------|------------------|
| Fair value adjustment – debtors | 2 360 976        | 2 384 477        |
| Interest                        | 91 037           | 41 491           |
|                                 | <b>2 452 013</b> | <b>2 425 968</b> |

**20. Staff Costs**

|                    |                   |                   |
|--------------------|-------------------|-------------------|
| Salaries and Wages | <b>53 363 192</b> | <b>36 550 562</b> |
|--------------------|-------------------|-------------------|

**21. Staff turnover**

During the current financial year RTMC retained 145 (2009:140) staff members.

**22. Cash generated from operations****2010  
R****2009  
R**

|   |                   |                  |
|---|-------------------|------------------|
| <b>Deficit for the year</b>                                 | (88 156 782)      | (44 425 529)     |
| <b>Adjustment for:</b>                                      |                   |                  |
| Depreciation on property, plant and equipment, amortisation | 5 769 483         | 4 312 982        |
| Finance revenue   | ( 304 654)        | (10 510 536)     |
| Finance costs   | 91 037            | 41 491           |
| Impairment  | -                 | 1 480 962        |
| Decrease in provisions                                      | -                 | (961 065)        |
| Amortisation  | 746 747           | 443 581          |
| Increase in provisions                                      | 208 563           | -                |
| Fair value adjustment – creditors                           | (4 049 783)       | (2 970 048)      |
| Fair value adjustment – debtors                             | 2 360 976         | 2 384 477        |
| Loss on disposal of assets                                  | 10 433 315        | -                |
| <b>Changes in working capital</b>                           |                   |                  |
| Trade and other receivables                                 | (147 252 856)     | (100 853 492)    |
| Advances  | -                 | (765 422)        |
| Trade and other payables                                    | 267 546 388       | 153 413 020      |
| <b>Cash generated from operations</b>                       | <b>47 392 434</b> | <b>1 590 421</b> |

**23. Directors emoluments****Executive****2010**

|                            | <b>Basic R</b>   | <b>Other Allowances R</b> | <b>Other Benefits R</b> | <b>Total R</b>   |
|----------------------------|------------------|---------------------------|-------------------------|------------------|
| <b>R Rakgoale (CEO)</b>    | 732 945          | 56 544                    | 695 614                 | 1 485 103        |
| <b>S Manamela (CFO)</b>    | 560 922          | -                         | 415 057                 | 975 979          |
| <b>A Lucen (SEM)</b>       | 586 546          | -                         | 427 911                 | 1 014 457        |
| <b>H Moyana (SEM)</b>      | 560 922          | 44 905                    | 364 180                 | 970 007          |
| <b>T Tsholetsane (SEM)</b> | 560 922          | 44 465                    | 474 819                 | 1 080 206        |
| <b>G Botha (SEM)</b>       | 545 571          | 62 129                    | 287 188                 | 894 888          |
| <b>H Basheng (CIO)</b>     | 454 424          | 50 917                    | 272 089                 | 777 431          |
|                            | <b>4 002 252</b> | <b>258 960</b>            | <b>2 936 858</b>        | <b>7 198 071</b> |



2009

|                            | Basic<br>R       | Other Allowances<br>R | Other Benefits<br>R | Total<br>R       |
|----------------------------|------------------|-----------------------|---------------------|------------------|
| <b>R Rakgoale (CEO)</b>    | 653 740          | 50 131                | 481 792             | 1 185 663        |
| <b>S Manamela (CFO)</b>    | 499 150          | -                     | 332 766             | 831 916          |
| <b>A Lucen (SEM)</b>       | 510 886          | -                     | 379 355             | 890 241          |
| <b>H Moyana (SEM)</b>      | 497 570          | 44 791                | 290 249             | 832 610          |
| <b>T Tsholetsane (SEM)</b> | 497 570          | 38 541                | 290 249             | 826 360          |
| <b>G Botha (SEM)</b>       | 505 594          | 106 367               | 298 288             | 910 249          |
|                            | <b>3 164 510</b> | <b>239 830</b>        | <b>2 072 699</b>    | <b>5 477 039</b> |

Non executive

2010

|                       | Basic R        | Other Allowances R | Total R        |
|-----------------------|----------------|--------------------|----------------|
| <b>J D Sampson</b>    | 233 014        | 16 836             | 249 850        |
| <b>E M du Toit</b>    | 79 906         | 1 303              | 81 209         |
| <b>T M Malaza</b>     | 132 981        | 14 481             | 147 462        |
| <b>A M Mawela</b>     | 219 526        | 5 484              | 225 010        |
| <b>H P van Tonder</b> | 98 570         | 2 741              | 101 311        |
| <b>M K Mafani</b>     | 108 489        | 13 987             | 122 476        |
|                       | <b>872 486</b> | <b>54 833</b>      | <b>927 318</b> |

2009

|                       | Basic R        | Other Allowances R | Total R        |
|-----------------------|----------------|--------------------|----------------|
| <b>J D Sampson</b>    | 182 712        | -                  | 182 712        |
| <b>E M du Toit</b>    | 67 635         | -                  | 67 635         |
| <b>T M Malaza</b>     | 103 439        | -                  | 103 439        |
| <b>A M Mawela</b>     | 194 337        | -                  | 194 337        |
| <b>H P van Tonder</b> | 102 384        | -                  | 102 384        |
| <b>M K Mafani</b>     | 69 663         | -                  | 69 663         |
|                       | <b>720 170</b> | -                  | <b>720 170</b> |





## 24. Related parties

### Related party transactions

| <b>(a) Transactions paid on behalf of the RTMC</b>         |            |            |
|--|------------|------------|
| Salaries – Department of Transport                         | 53 363 192 | 36 550 562 |
| Travel and accommodation Fair value adjustment – creditors | -          | 3 946 662  |
| <b>(b) Key management</b>                                  |            |            |
| Salaries and other short term employee benefits            | 7 198 071  | 5 477 039  |

### Related party balances

| <b>(c) eNaTIS transaction fees</b>                                  |               |              |
|---|---------------|--------------|
| eNatis transaction fees debtors – Department of Transport           | 149 579 456   | 90 199 884   |
| eNatis transaction fees payables – Department of Transport          | (149 579 456) | (90 199 884) |
| eNatis transaction fees debtor/(creditor) – Department of Transport | (221 127 399) | (51 009 676) |
| <b>(d) AARTO fines and penalties</b>                                |               |              |
| AARTO fine and penalties – Issuing authorities                      | 109 513 475   | 8 216 686    |
| AARTO fine and penalties – Issuing authorities                      | (41 963 957)  | (21 082 466) |
| <b>(e) Department of Transport: Salaries</b>                        |               |              |
|   | 8 851 859     | 7 588 963    |
| <b>(f) Board Members</b>  |               |              |
| E Du Toit   | 5 752         | -            |
| MF Mafani   | 10 595        | -            |
| A Mawela  | 26 866        | -            |
| JD Sampson  | 22 525        | -            |
| H van Tonder  | 6 293         | -            |
| <b>TOTAL - Board Members</b>  | <b>72 032</b> | <b>-</b>     |

## 25. Related parties information

The Corporation is governed by the Shareholder Committee in accordance with the RTMC Act and the PFMA.

Related party amounts have been disclosed on the Statement of Financial Position:

(i) RTMC has collected eNaTIS transaction fees from the various provinces. All fees collected by the Corporation and not paid over to the Department of Transport are disclosed as payables. Fees still outstanding from the provinces are disclosed as receivables and as payables to the Department of Transport.

(ii) RTMC received revenue and incurred costs on behalf of the Road Traffic Infringements Agency relating to the management of the Administrative Adjudication of Road Traffic Offences (“AARTO”) fines and penalties.



## 26. Contingent Liability

The Road Traffic Management Corporation has disclosed a contingent liability for capped leave earned by employees who transferred to the corporation from the Department of Transport. There is uncertainty relating to whether the Road Traffic Management Corporation is liable to settle the obligation upon the employees death, retirement or being incapacitated. The maximum amount of the contingent liability was calculated based on the current salary levels of the employees affected. The maximum contingent liability is estimated at R 388 651 (2009: R2 651 366).

## 27. Financial Risk and Capital Risk Management

### Capital risk management

The Corporation is exposed to financial risk through its financial assets and financial liabilities.

The Board has overall responsibility for the establishment and oversight of the Corporation's risk management framework. The Board has established the Risk Management Committee, which is responsible for developing and monitoring the Corporation's risk management policies. The committee reports regularly to the Board on its activities.

The Corporation's risk management policies are established to identify and analyse the risks faced by the Corporation, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Corporation's activities. The Corporation, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Corporation's Audit Committee oversees how management monitors compliance with the Corporation's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Corporation. The Corporation's Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Corporation's exposure to risk, its objectives, policies and processes for managing the risk arising from its financial instruments and methods used to measure the Corporation's exposure to these risks, have not changed significantly from the prior year.

The Corporation does not have major exposure to credit, liquidity and market risk, which is described in more detail below.

### Market risk

Market risk is the risk that changes in market prices, such as interest rate, foreign exchange rates and equity prices will affect the value of the Corporation's financial assets and the amount of the Corporation's financial liabilities.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk. The nature of the Corporation's exposure to market risk and its objectives, policies and procedures for managing market risks have not changed significantly from the prior period. Refer below for more detail.

### Interest rate risk

The Corporation has limited exposure to interest risk. Cash and cash equivalents carry interest at a variable rate. The RTMC is not allowed to have an overdraft facility, in terms of the PFMA

### Equity price risk

The Corporation has no exposure to equity price risk.

### Currency risk

The Corporation has no exposure to currency risk as it operates in the ZAR environment only.



|                                  | 2010<br>R | 2009<br>R  |
|----------------------------------|-----------|------------|
| <b>Interest rate sensitivity</b> |           |            |
| Interest received for the period | 4 354 437 | 10 510 536 |

A change of 50 basis points in the South African prime interest rate at the reporting date would have increased (decreased) the surplus by the amounts shown below. The analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2009.

|                             |           |           |
|-----------------------------|-----------|-----------|
| Increase of 50 basis points | 217 722   | 453 745   |
| Decrease of 50 basis points | (217 722) | (453 745) |

### Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation. Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, as well as outstanding receivables and committed transactions. For Banks and financial institutions, only highly reputable financial institutions are used.

Trade and other receivables

The Corporation's exposure to credit risk is influenced mainly by the Department of Transport.

Due to the nature and mandate of the RTMC's activities, and the sector in which the RTMC operates, the RTMC works in an environment that deals mainly with the Department of Transport. There are no external sales value contracts. The exposure to credit risk will result if the Department of Transport fails to refund the RTMC for expenditure that the RTMC incurred and had already paid for. The exposure to credit risk will increase should the expenditure incurred not be approved by the Department of Transport.

The Corporation does not establish an allowance for impairment.

### Credit risk exposure

The carrying amount of financial assets represents the maximum credit exposure at the reporting date.

### Concentrations of credit risk

We consider provinces having different risk associated with credit risk and therefore disclose them as such. The concentrations of credit risk for trade and other receivables are as follows:



**Geographical Area (Provinces)**

|  | <b>2010<br/>R</b>  | <b>2009<br/>R</b>  |
|--|--------------------|--------------------|
| Gauteng  | 106 605 072        | 33 259 801         |
| Eastern Cape   | 10 455 747         | 5 530 384          |
| Free State   | 3 836 235          | 1 765 850          |
| Kwa Zulu Natal   | 4 823 751          | 6 624 390          |
| Limpopo  | 18 599 543         | 13 811 593         |
| Mpumalanga   | 13 217 225         | 6 319 711          |
| Northern Cape  | 18 315 784         | 15 072 428         |
| North West   | 8 882 868          | 4 214 896          |
| Western Cape   | 11 799 586         | 3 600 831          |
| Unallocated receipts   | (45 593 318)       |                    |
| Fair value   | (1 363 037)        |                    |
| <b>TOTAL</b>   | <b>149 579 456</b> | <b>90 199 884</b>  |
| <b>Major receivables of the Corporation consists of the following:</b>     |                    |                    |
| Provincial Departments of Transport  | 149 579 456        | 90 199 884         |
|  |                    |                    |
|  | <b>149 579 456</b> | <b>90 199 884</b>  |
| <b>The other receivables of the Corporation consists of the following:</b> |                    |                    |
| Prepayments  | 405 229            | 973 687            |
| AARTO Infringements fees – receivables                                     | 109 513 475        | 21 082 466         |
| Sundry receivables   | 324 692            | 313 959            |
|  | <b>259 822 852</b> | <b>112 569 996</b> |



The PFMA prohibits the Corporation to have any credit facility. The RTMC has limited credit risk exposure as all its cash and cash equivalents are placed with highly reputable financial institutions.

AARTO is included in Gauteng as the expenses were incurred for the JMPD & TMPD which are in Gauteng.

### Ageing of Financial Assets

The following table provides information regarding the credit quality of assets which expose the Corporation to credit risk:

#### Financial assets that are past due but not impaired

2010

|                             | Neither past<br>due not<br>impaired R | 0-2 months<br>R | 3-5 months<br>R | More than 5<br>months R | Impaired<br>financial<br>assets R | Total carrying<br>amount<br>R |
|-----------------------------|---------------------------------------|-----------------|-----------------|-------------------------|-----------------------------------|-------------------------------|
| Trade and other receivables | 259 822 852                           |                 |                 |                         |                                   | 259 822 852                   |
| Cash and cash equivalents   | 106 121 680                           |                 |                 |                         |                                   | 106 121 680                   |
| Advances                    | 1 108 422                             |                 |                 |                         |                                   | 1 108 422                     |
| <b>TOTAL</b>                | <b>367 052 954</b>                    |                 |                 |                         |                                   | <b>367 052 954</b>            |

#### Financial assets that are past due but not impaired

2009

|                             | Neither past<br>due not<br>impaired R | 0-2 months<br>R   | 3-5 months<br>R | More than 5<br>months R | Impaired<br>financial<br>assets R | Total carrying<br>amount<br>R |
|-----------------------------|---------------------------------------|-------------------|-----------------|-------------------------|-----------------------------------|-------------------------------|
| Trade and other receivables | 43 741 783                            | 33 344 028        | -               | 35 484 185              | -                                 | 112 569 996                   |
| Cash and cash equivalents   | 72 072 908                            |                   | -               | -                       |                                   | 72 072 422                    |
| Advances                    | 1 108 422                             |                   |                 |                         |                                   | 1 108 422                     |
| <b>TOTAL</b>                | <b>116 923 113</b>                    | <b>33 344 028</b> |                 | <b>35 484 185</b>       |                                   | <b>185 751 326</b>            |

There are no financial assets that would have been past due or impaired had the terms not been renegotiated for the current or prior year. The trade debtors have been present valued to reflect their fair value.



### Impairment losses - Trade and other receivables

The Corporation did not need to provide for impairment of its Trade and other receivables and there have been no write-offs in the current or prior year.

### Security and collateral

The Corporation does not have collateral or other credit enhancements for its credit risk exposure from financial assets during the current or prior year. In addition, there were no instances during the current or prior year where the Corporation has taken possession on any collateral it holds as security.

### 28. Financial assets by category

The accounting policies for financial instruments have been applied to the line items below:

Based on the historical information and the nature of debtors, there is no concern regarding recoverability.

#### 2010

|                             | Loans and<br>receivables R | Assets at fair<br>value through<br>profit and<br>loss R | Derivative<br>used for<br>hedging<br>R | Available for<br>sale<br>R | Total<br>R         |
|-----------------------------|----------------------------|---|--|----------------------------|--------------------|
| Trade and other receivables | 259 822 852                |   |  |                            | 259 822 852        |
| Cash and cash equivalents   | 106 121 680                |   |  |                            | 106 121 680        |
| Advances                    | 1 108 422                  |   |  |                            | 1 108 422          |
| <b>TOTAL</b>                | <b>367 052 954</b>         |   |  |                            | <b>367 052 954</b> |

#### 2009

|                             | Loans and<br>receivables R | Assets at fair<br>value through<br>profit and<br>loss R | Derivative<br>used for<br>hedging<br>R | Available for<br>sale<br>R | Available for<br>sale<br>R |
|-----------------------------|----------------------------|---|--|----------------------------|----------------------------|
| Trade and other receivables | 112 569 996                | -   | -                                      | -                          | 112 569 996                |
| Cash and cash equivalents   | 72 072 908                 | -   | -                                      | -                          | 72 072 908                 |
| Advances                    | 1 108 422                  | -   | -                                      | -                          | 1 108 422                  |
| <b>TOTAL</b>                | <b>185 751 326</b>         | -   | -                                      | -                          | <b>185 751 326</b>         |





### 29. Financial liabilities by category

The accounting policies for financial instruments have been applied to the line items below:

#### 2010

|                             | Liabilities at FV<br>through Profit and<br>loss<br>R | Derivatives used for<br>hedging<br>R | Other financial<br>liabilities<br>R | Total<br>R  |
|-----------------------------|--|--------------------------------------|-------------------------------------|-------------|
| Trade and other<br>payables | -  | -                                    | 446 725 328                         | 446 725 328 |

#### 2009

|                             | Liabilities at FV<br>through Profit and<br>loss<br>R | Derivatives used for<br>hedging<br>R | Other financial<br>liabilities<br>R | Total<br>R  |
|-----------------------------|--|--------------------------------------|-------------------------------------|-------------|
| Trade and other<br>payables | -  | -                                    | 179 178 940                         | 179 178 940 |

### 30. Commitments

#### Authorised expenditure

The following commitments have been made for outstanding work in terms of contracts awarded but not effected in the accounting records:



|   |           |            |
|---|-----------|------------|
| <b>Risk Management assessment and strategy</b>                  | 190 400   | -          |
| <b>Employee Health and Wellness programme</b>                   | 19 822    | -          |
| <b>Organisational skills audit</b>                              | 6 507     | -          |
| <b>AARTO Learning and training material</b>                     | -         | 3 471 591  |
| <b>Partnership to implement BPM</b>                             | 431 626   | -          |
| <b>Scholar patrol uniforms and equipment</b>                    | -         | 2 335 595  |
| <b>Internal Audit Outsourcing</b>                               | -         | 483 236    |
| <b>Compilation of National Training Framework</b>               | 254 676   |            |
| <b>SA Road Safety Audit Guidelines &amp; Framework</b>          | 250 000   |            |
| <b>Accident reporting system</b>                                | 6 030 081 | 7 740 928  |
| <b>ERP system development</b>                                   | -         | 33 737 062 |
| <b>Website development</b>                                      | -         | 70 034     |
| <b>Tshwane road traffic offence survey</b>                      | -         | 851 280    |
| <b>Policy review project</b>                                    | -         | 63 265     |
| <b>Alignment &amp; formatting of AARTO learning material</b>    | -         | 157 206    |
| <b>IT management solution</b>                                   | 1 399 223 | 9 586 106  |
| <b>Audit of Grade 1-9 learner and educator support material</b> | -         | 5 000 000  |
| <b>Extension of after-hours call centre</b>                     | 113 886   | 174 220    |
| <b>Financials policies review</b>                               | 112 977   | 294 422    |
| <b>National road traffic offence survey</b>                     | -         | 1 946 578  |
| <b>Information system support</b>                               | 127 525   | 1 248 239  |

**Operating leases – as lessee****Minimum lease payments due**

|                              | 2010<br>R        | 2009<br>R          |
|------------------------------|------------------|--------------------|
| <b>Buildings</b>             |                  |                    |
| - within one year            |                  | 15 741 630         |
| - between 1 year and 5 years | -                | 198 720 504        |
| - greater than five years    | -                | 446 930 987        |
|                              |                  | <b>661 393 121</b> |
| <b>Equipment</b>             |                  |                    |
| - within one year            | 532 066          | 189 873            |
| - between 1 year and 5 years | 571 617          | 345 484            |
|                              | <b>1 103 683</b> | <b>535 357</b>     |

The RTMC leases its operating buildings from Mohlaleng Investment Holdings commencing 1st August 2008. The monthly rentals are R441 000 with a yearly escalation of 8.5%. The original lease expires on 31st January 2020. However, the contract was subsequently terminated on the 31st March 2010.

RTMC also leases two photocopy machines from Konika Minolta commencing from 1st July 2008 and 1st February 2009. The monthly rentals payables are R5 641 and R9 599 respectively with a yearly escalation clause of 10%. The leases expire on 30th June 2011 and 31st January 2012 respectively. The Corporation entered into an operating lease with Nashua for the lease of three photocopiers effective 1st June 2009. The lease rental for the machines is R23 940 per month with a yearly escalation of 15%.





### 31. Irregular, fruitless and wasteful expenditure

#### 31.1 Irregular expenditure

|  | 2010<br>R   | 2009<br>R   |
|--|-------------|-------------|
| <b>Opening Balance</b>   | 13 872 499  | 2 897 236   |
| Charges for the year   |             |             |
| Purchase of the Accident Reporting system  | 59 447 194  | -           |
| Procurement of professional services without following procurement process               | 12 007 944  | 9 083 372   |
| Purchase of furniture without advertisement on an open tender                            | -           | 499 890     |
| Service provider appointed without following proper procedure                            | -           | 98 947      |
| Irregular utilization of transaction fees without approval                               | 200 581 126 | -           |
| Payment for the postage of AARTO infringements notices without a contract                | 82 598 654  |             |
| Procurement of goods and services without following normal procurement processes         | 881 409     |             |
| Over expenditure: Hosting of an International Conference in excess of the budgeted funds | 5 363 377   |             |
| Over expenditure: Conducting provincial workshops in excess of the budgeted funds        | -           | 3 025 098   |
| <b>Expenditure condoned</b>  |             |             |
| Purchase of furniture without advertisement on an open tender (2008)                     | -           | (1 232 154) |
| Purchase of furniture without advertisement on an open tender (2009)                     | -           | (499 890)   |
|  |             |             |
| <b>Irregular expenditure awaiting condonement</b>  | 374 752 203 | 13 872 499  |

#### Prior year:

The comparative figures for irregular expenditure are restated with the following significant amounts:

An amount of R9 083 372 disclosed in the previous financial year relates to the appointment of two service providers without following a normal procurement process.

An amount of R3 025 098 relates to over expenditure on the budget for the conducting of provincial workshops.

#### Current year:

The irregular expenditure of R59 million for accident reporting system came about as a result of the Corporation procuring the services of a service provider without an open bid process. The services were procured through participation in a contract initially awarded to the Department of Transport above the initial value of the contract

The R12 million is as a result of the Corporation appointing various service providers without following the normal procurement process and obtaining relevant approval. A service provider was appointed for R10 776 088 without obtaining the approval of the Finance Committee as per the delegation of authority. Two service providers were appointed and paid R1 231 856 without obtaining three quotations or deviating as per the procurement policy.



Included in the irregular expenditure is an amount of R200 million for the irregular utilization of transaction fees and R83 million for the payment of postage for infringement notices without a contract. There is also an amount of R5 363 377 representing an over expenditure on the International Conference hosted by the Corporation.

### 31.2 Fruitless and Wasteful expenditure

|  | 2010<br>R         | 2009<br>R        |
|--|-------------------|------------------|
| Opening Balance  | 1 392 113         | 690 747          |
| Charges for the year   |                   |                  |
| Interest paid on overdraft                                     | -                 | 471              |
| Rental paid for unoccupied premises                            | -                 | 390 894          |
| Employees paid after resignation date                          | 116 573           | 147 032          |
| Interest paid on settlement of suppliers                       | 82 770            | 69 062           |
| SARS PAYE interest and penalties                               | 8 664             | 93 907           |
| Acquisition of Oracle ERP system – discontinued                | 17 312 699        |                  |
|  |                   |                  |
| <b>Fruitless and Wasteful expenditure awaiting condonement</b> | <b>18 912 819</b> | <b>1 392 113</b> |

### 32. Income Tax

The Corporation is exempt from income tax as an institution established by Law for the purposes of section 10 1(cA) (i) of the Income Tax Act.

Annual returns of income together with supporting documentation, such as financial statements must be submitted to the Tax Exemption Unit. The institution must also adhere to the following requirements, i.e. No profits or gains will be distributed to any person, the funds will be utilised solely for investment or object for which it was established and on the dissolution of the institution the remaining assets must be transferred to any body with objects similar to those of the institution and which is itself exempt from income tax in terms of section 10(1)(cA)(i) of the Act or the State.

### 33. VAT

The RTMC is a Schedule 3(a) entity in terms of the PFMA. These entities fall within paragraph (b)(i) of the definition of “enterprise” as these entities are regarded as public authorities with effect from 1 April 2005. Unless the entities make taxable supplies which are similar to those in the private sector and have been notified by the Commissioner to register their activities, the RTMC is generally out of scope for VAT purposes and does not have to register for VAT. The RTMC is VAT exempted.

### 34. Contingent asset

The RTMC is empowered by regulation 2 of the AARTO Act to perform administrative functions of the Road Infringement Agency (RTIA) which include amongst other the issuing of courtesy letters, enforcement orders, representations as well as collection of infringements notice fees paid after 32 days.

The RTMC has incurred expenditure in performing these administrative functions. The AARTO pilot started in Tshwane Metro Police Department (TMPD) in July 2008 and extended to Johannesburg Metro Police Department (JMPD) in February 2009.

The RTMC therefore discloses a contingent asset of R538 989 615 for the period ended 31st March 2010 for uncollected infringements notices issued by the authorities since the inception of the pilots.



### 35. Revenue and Expenditure item on behalf of the Road Traffic Infringement Agency

The RTMC is empowered by the regulation 2 of the AARTO Act to perform administrative functions of the Road Traffic Infringement Agency (RTIA). The administrative functions of the RTIA include issuing of courtesy letters, enforcement orders, representations as well as collection of infringement fees paid after 32 days.

To that extent, included in the annual financial statements of the RTMC are the following the key revenue and expenditure items for the RTIA:

|   | 2010<br>R         | 2009<br>R         |
|---|-------------------|-------------------|
| <b>AARTO Infringement fees (refer to note 15)</b> | <b>92 554 274</b> | <b>21 082 466</b> |
|   |                   |                   |
| AARTO project expenditure                         |                   |                   |
| Postage of infringement notices                   | 82 598 654        | 27 817 867        |
| Implementation of AARTO                           | 2 949 354         | -                 |
| AARTO Learning and Training                       | 5 184 382         | 3 636 797         |
| Project e-force                                   | 4 120 319         | -                 |
| Other project expenses                            | 789 638           | -                 |

In terms of the AARTO Act, the registrar of the Agency must invest surplus funds in a separate account, from which payments may be made to the authority or body for the purpose of road safety or road traffic law enforcement.

### 36 Reconciliation between budget and statement of financial performance

Reconciliation of the budget deficit with the deficit as reflected in the statement of financial performance.

|   |                     |
|---|---------------------|
| <b>Net deficit per the statement of financial performance</b> | <b>(88 156 782)</b> |
| Adjust for:   |                     |
| - Fair value adjustments                                      | (1 688 537)         |
| - Write-off on assets   | 10 433 315          |
| - Increase in provisions                                      | 208 563             |
| - Depreciation and amortization                               | 6 516 230           |
|   |                     |
| <b>Net Deficit</b>  | <b>(72 687 211)</b> |
| <b>Net Deficit per approved budget</b>                        | <b>194 100 000</b>  |

The Corporation total budget for the year 2009/10 was R312 million comprising of operating expenses, projects funded by the appropriation as well projects funded from the utilisation of eNaTis transaction fees.

**Detailed Income Statement****Note(s)****2010  
R****2009  
R**

|                             |                      |                      |
|-----------------------------|----------------------|----------------------|
| REVENUE                     |                      |                      |
| Grant income                | 83 603 000           | 89 588 000           |
|                             | <b>83 603 000</b>    | <b>89 588 000</b>    |
| AARTO infringements fees    | 92 554 274           | 21 082 466           |
| Other income                | 1 273 525            | 84 924               |
| Interest received           | 4 354 437            | 13 480 584           |
| <b>TOTAL</b>                | <b>5 627 962</b>     | <b>13 565 508</b>    |
| Expenses                    | <b>(267 490 005)</b> | <b>(166 235 535)</b> |
| Operating deficit           | (85 704 769)         | (41 965 103)         |
| Finance costs               | (2 452 013)          | (2 425 968)          |
| <b>Deficit for the year</b> | <b>(88 156 782)</b>  | <b>(44 425 529)</b>  |



**Operating expenses**

|  | <b>2010<br/>R</b>  | <b>2009<br/>R</b>  |
|--|--------------------|--------------------|
| Accounting fees                                  | 12 104             | 881 077            |
| Advertising                                      | 1 931 998          | 2 695 146          |
| Assets written-off and Intangible assets retired | 27 746 014         | 471 396            |
| Auditors remuneration                            | 1 887 026          | 1 221 109          |
| Bank charges                                     | 28 653             | 26 217             |
| Board fees                                       | 1 274 489          | 628 038            |
| Cleaning   | -                  | 67 207             |
| Computer expenses                                | 36 248             | 24 411             |
| Conferences, venues and facilities               | 223 922            | 180 570            |
| Consulting fees                                  | 3 825 855          | 5 940 696          |
| Depreciation, amortisation and impairment        | 6 516 230          | 5 766 129          |
| Entertainment and catering                       | 376 843            | 361 435            |
| eNaTIS recoverable expenses                      | -                  | 10 941 832         |
| Fines and penalties                              | 46 362             | 76 678             |
| Furniture removal costs                          | 170 976            | 347 914            |
| General expenses                                 | 33 968             | 36 560             |
| Insurance  | 443 903            | 338 892            |
| Lease rentals on operating lease                 | 4 387 788          | 7 289 633          |
| Motor vehicle expenses                           | 204 882            | 6 251              |
| Plant and sanitation – rental                    | -                  | 40 458             |
| Postage and courier                              | 381 172            | 489 810            |
| Printing and stationery                          | 2 753 583          | 2 571 962          |
| Projects – Appropriation                         | 55 706 218         | 49 509 136         |
| Projects – eNaTIS                                | 2 136 603          | 993 854            |
| Projects – AARTO                                 | 95 757 052         | 31 454 664         |
| Salaries and wages                               | 53 363 192         | 36 550 562         |
| Security   | 475 534            | 93 936             |
| Staff training and development                   | 622 248            | 827 312            |
| Storage and warehouse                            | 154 426            | 65 555             |
| Subscription and membership fees                 | 86 053             | 33 911             |
| Telephone and faxes/ Communication               | 2 558 472          | 2 025 924          |
| Travel and accommodation                         | 2 567 248          | 3 946 662          |
| Utilities  | -                  | 259 085            |
| Repairs and maintenance                          | 501 090            | 71 513             |
| Recruitment costs                                | 220 116            | -                  |
| Software licenses                                | 1 059 737          | -                  |
| <b>TOTAL</b>                                     | <b>267 490 005</b> | <b>166 235 535</b> |



### Supplementary Schedule

#### World Cup Expenditure

The Corporation incurred expenditure for the Confederation Cup during the year under review. No expenditure was incurred after year end or on any other World Cup apparel.

The tickets were allocated to the members of the Board, external stakeholders, senior management staff and other employees within the Corporation.

There are no official records to give a detailed breakdown on the distribution of these tickets.

|                         | Quantity   | 2010<br>R        | 2009<br>R |
|-------------------------|------------|------------------|-----------|
|                         |            |                  |           |
| <b>Tickets acquired</b> | <b>186</b> | <b>1 386 356</b> | <b>-</b>  |



## SECTION 9

### ACRONYMS

|               |  |
|---------------|--|
| AARTO         | Administrative Adjudication of Road Traffic Offences             |
| ACFE          | Association of Certified Fraud Examiners                         |
| AG            | Auditor General  |
| ASGISA        | Accelerated and Shared Growth Initiative for South Africa        |
| Authorities   | Road Traffic Authorities   |
| BEE           | Black Economic Empowerment                                       |
| Corporation   | Road Traffic Management Corporation                              |
| CBRTA         | Cross Border Road Transport Agency                               |
| DOTY          | Driver of the Year   |
| EFT           | Electronic Funds Transfer  |
| eNaTIS/ENaTIS | National Traffic Information System                              |
| ERP           | Enterprise resource programme                                    |
| ELD           | Electronic License Disc  |
| EDL           | Examiner of Driver's Licences                                    |
| EOV           | Examiner of Vehicles   |
| EVI           | Electronic Vehicle Identification                                |
| EXCO          | Executive Committee of the Corporation                           |
| FAR           | Fixed Asset Register   |
| GAAP          | Generally Accepted Accounting Practices                          |
| GIS           | Geographical Information System                                  |
| GPS           | Geographical Positioning System                                  |
| ICAS          | RTMC Employee Assistance Service Provider                        |
| ISA           | Infrastructure Safety Auditors                                   |
| IT            | Information Technology   |
| JIPSA         | Joint Initiative on Priority Skills Acquisition                  |
| JMPD          | Johannesburg Metropolitan Police Department                      |
| KZN           | KwaZulu-Natal  |
| LETCOM        | Law Enforcement Technical Committee                              |
| LGSETA        | Local Government Sector Education Training Authority             |
| MOU           | Memorandum of Understanding                                      |
| MTEF          | Medium Term Expenditure Framework                                |
| NAAMSA        | National Association of Automobile Manufacturers of South Africa |
| NAR           | National Crash Register  |
| NCR           | National Contravention Register                                  |



|          |   |
|----------|---|
| NDOT/DoT | National Department of Transport                    |
| NEHAUWU  | National Education, Health and Allied Workers Union |
| NFCIC    | National Fatal Crash Information Centre             |
| NLTAA    | National Land Transport Transition Act              |
| NRTA     | National Road Traffic Act                           |
| NRTLEC   | National Road Traffic Law Enforcement Code          |
| NT       | National Treasury                                   |
| NTCC     | National Traffic Call Centre                        |
| OHS-Act  | Occupational Health and Safety Act                  |
| PDP      | Performance Development Plan                        |
| PDS      | Point Demerit System                                |
| PFMA     | Public Finance Management Act                       |
| PPP      | Public Private Partnerships                         |
| PRASA    | Passenger Rail Agency of South Africa               |
| PrDP     | Professional Drivers Permit                         |
| RAF      | Road Accident Fund                                  |
| RPL      | Recognition of Prior Learning                       |
| RTEC     | Road Traffic Education Committee                    |
| RTIA     | Road Traffic Infringement Agency                    |
| RTMC     | Road Traffic Management Corporation                 |
| SANRAL   | South African National Roads Agency                 |
| SAPS     | South African Police Services                       |
| SAQA     | South African Qualification Authority               |
| SLA      | Service Level Agreement                             |
| SWOT     | Strengths, Weaknesses, Opportunities, Threats       |
| TETA     | Transport Education Training Authority              |
| TMPD     | Tshwane Metropolitan Police Department              |
| TOPC     | Traffic Officers Pocket Computer                    |
| TOR      | Terms of Reference                                  |
| TPC      | Traffic Practitioners Council                       |
| VTS      | Vehicle Testing Station                             |



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