



# Road Traffic Management Corporation



*"The Change We Want to See on Our Roads"*



Decade of Action for Road Safety

annual report 2010 / 2011

**Vision** / *Safe Roads in South Africa*

**Mission** / *Ensure Safe, Secure and Sustainable Roads in SA*

**Values** / *Integrity  
Accountability  
Transparency  
Teamwork*



**Road Traffic**  
Management Corporation

## CONTENTS

- SECTION 1:** Accounting Authority Report by Acting Chief Executive Officer
- SECTION 2:** RTMC Organisational Structure and the Executive Committee
- SECTION 3:** Corporate Governance Report
- SECTION 4:** Human Resource Overview
- SECTION 5:** State of Road Traffic Report 2010/11
- SECTION 6:** Highlights of Achievements
- SECTION 7:** Performance Information Report
- SECTION 8:** Annual Financial Statements of RTMC for year ending 31 March 2011
- SECTION 9:** Acronyms

*The RTMC is an Agency of the Department of  
Transport and a member of the United Nations  
Road Safety Collaboration*



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

## Section 1

### Accounting Authority Report Acting Chief Executive Officer

“Road crashes kill nearly 1.3 million people every year, and leave millions more injured or permanently disabled. Impaired driving, unsafe roads and other dangers shatter lives in a matter of seconds”  
~ Ban ki-Moon, United Nation Secretary-General



Collins Letsolo  
Acting Chief Executive Officer

It was a challenging year. It was never going to be easy. The RTMC had just emerged from a period characterised by a state of disarray in many aspects of governance, processes, systems and human capital. There was a depleted senior management band and a lot of uncertainty in the environment. It was particularly difficult to be in an entity that does not have a Board of Directors. It meant that the entity had to forgo the additional advisory capacity and independence that would have come with a Board. A message of hope had to be flickered at all relevant points to keep the Corporation afloat during a difficult period. As I stated in the last year's report, some of the challenges in the RTMC are embedded in the DNA of the RTMC, the very legislation that established the RTMC i.e. the RTMC Act.

In spite of the challenges in pertinent matters of governance, business support and internal controls as reflected in the previous financial year; many of these shortcomings were addressed. The environment is more stable and the financial results of the Corporation attest to this. They also reveal that during the year under review there was no irregular expenditure. The move to a zero irregular expenditure phase is informed by the efforts undertaken during the year. These included tighter controls, hiring of key personnel and implementation of systems amongst other interventions. Having said that, there is still more work that needs to be done, especially training to capacitate our finance personnel. Some mistakes were elementary and can be addressed through basic training.

The state of our finances is largely informed by the era that we come from; where the errors of the past are being carried over into the future. However, all measures that have been applied will bear fruit in the future. As the Corporation moves from the state of a qualified audit report to an unqualified one there has to be consistent focus on progressive efforts. The message from the qualified audit report was that implementation of business processes and systems, capacity building and governance strengthening, should remain a priority.

### **NEW STRATEGIC FOCUS**

In the year under review it was well understood that the RTMC, as the lead agency in Road Safety as provided for in Section 52 of National Road Traffic Act, 1996 (Act No 36 of 1996). It meant that the environment of the Corporation had to be conducive to ensure that we are equal to the task by providing the expected leadership for the delivery of expected results.

Our strategy is focused and informed by a Safe System Approach, which acknowledges that human behaviour has shortcomings and that combined factors in road safety have to be considered holistically. It is this approach that informed envisaged participation in the International Road Assessment Programme (iRAP) by the RTMC. The safe roads programme will seek to advise on hazardous roads and come up with infrastructure solutions to infrastructure problems on our roads. The programme has proven effective and a rate of return on the investment can be measured from the implementation of solutions. The reduction in road death statistics will be the bottom line in this regard.

The Corporation as a lead agency was accorded the membership of the United Nations Road Safety Collaboration. Our efforts in road safety will be measured against those of other countries and South Africa has the opportunity to import the best from the world and to export the best to the world, in a globally beneficial collaboration. It is going to take collaborative effort internationally, regionally and domestically to attain the efforts of this cross cutting socio-economic epidemic of road crashes; where approximately 14 000 South African lives are lost on an annual basis.

Our flagship educational programmes have continued to reach out to schools. We had 2402 schools on scholar patrol. The Participatory Education Techniques competition where learners build road safety solutions to road safety problems and the Road Safety Debate Competitions that require that learners research road safety topics have reached out to the most precious citizenry; the future of South Africa. In the words of Oliver Tambo "a nation that does not take care of its youth has no future and does not deserve one". The learners who would become the future drivers and leaders of tomorrow remain a key focus in the educational programmes of the Corporation.

South Africa participated in the 2010 UICR (International Union of Professional Drivers) World Professional Driver of the year championships in September 2010 and has been bestowed the honour of hosting the 2012 competition, where 26 affiliates will be represented. This is in line with the safe driver programmes in our annual educational deliverables as was the result with the Taxi Driver of The Year competition that took place in the year under review.

Even in difficult times history has been made. The establishment of the National Traffic Police by the RTMC is a significant moment in the history of road traffic management in South Africa. The 231 learners have undergone training and are now duly appointed officers, resulting in increased capacity in the road traffic sector. This gives the capability for interventionist programmes, strengthened enforcement and compliance on our roads. The NTP will also play their part in meeting the targets that are set out in the National Rolling Enforcement Plan (NREP) that was launched in September 2010 and where the desired target of stopping one million vehicles per month has been reached.

While some of our success in the past year speak volumes, it is equally important to outline that there are still challenges in executing our responsibilities. The inadequate funding of the Corporation will continue to create a state of uncertainty in the Corporation and increase the risk of not meeting objectives. There is a need to build systems and capacity in order to fully implement the mandate of the Corporation. This remains a work in progress for the foreseeable future but the funding challenges remain the top hindrance to delivery. This can only be addressed through adequate funding from the fiscus and the transfer of revenue yielding function to the Corporation.

All that the RTMC has managed to accomplish in the financial year would not have been possible without the support of the Minister, who is the Chairperson of the Shareholders Committee, Honourable Sibusiso Ndebele, the members of the Shareholders Committee and the Portfolio Committee on Transport under the leadership of Mme. Ruth Bengu and the Director-General of the Department of Transport, Mr. George Mahlalela. The Stakeholders who have partnered with the Corporation in various programmes have made their own indelible mark. The personnel of the RTMC have also played their part in realising good results and will play an even bigger role as we implement the actions of the Decade of Action.

We are in the Decade of Action for Road Safety and the clarion call goes out to all formations, government departments, civil society organisations and every single South African to be safe users of our roads. Let us be the change we want to see on our roads. After all road safety is a collective responsibility. Through SAFE ROADS, SAFE VEHICLES, SAFE SPEEDS and in the main SAFE ROAD USERS, we should be on our way to safer roads in South Africa.



**Mr. CP Letsolo**  
**Acting Chief Executive Officer**  
**Accounting Authority**



# Road Traffic Management Corporation

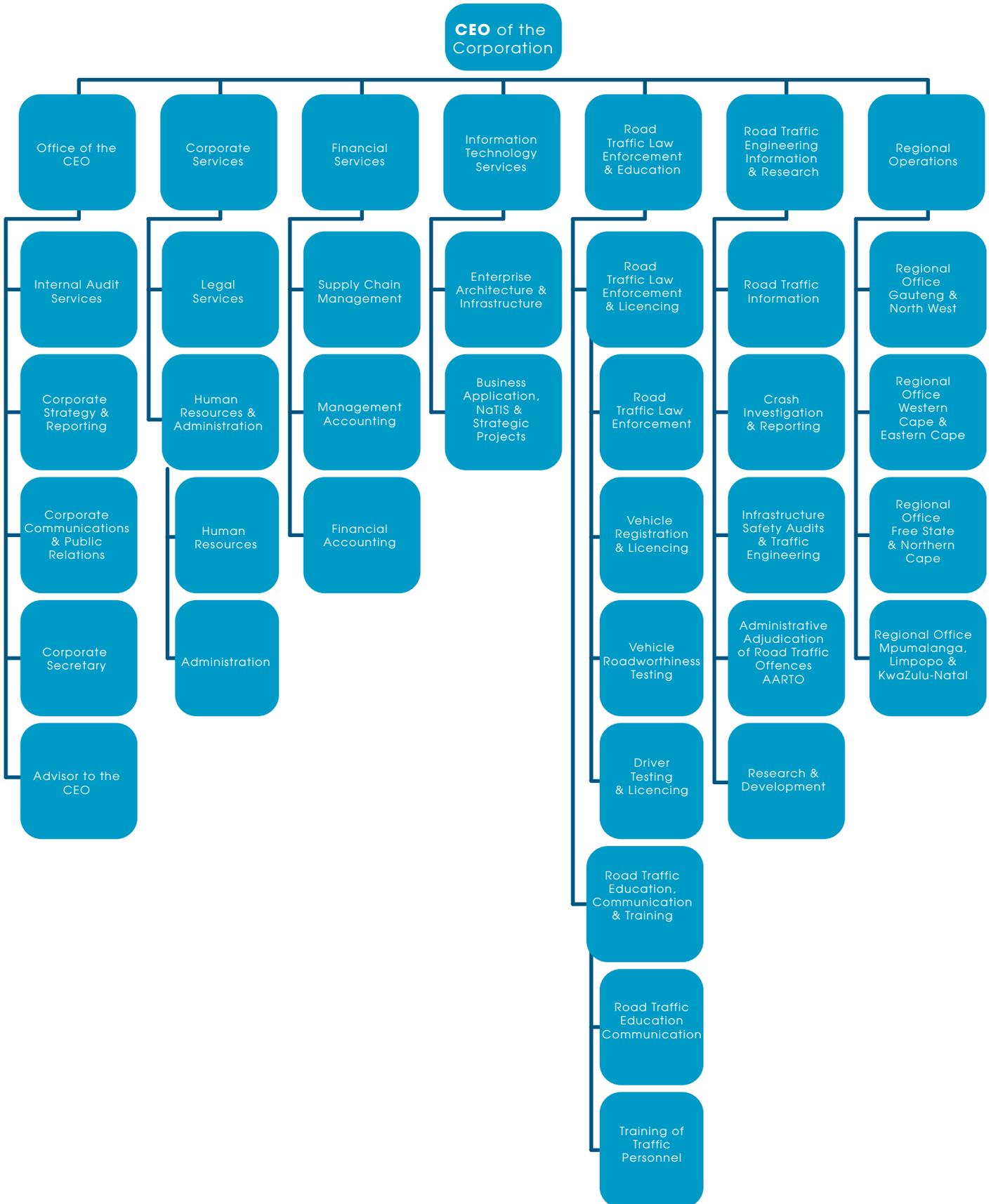


Executive Committee

*Section 2*

Organisational Structure and  
the Executive Committee

# RTMC Organisational Structure





## ***Collins Letsoalo***

---

Acting Chief Executive Officer

***Qualifications:***

B.Com Economics and Finance  
Diploma in Central Banking  
Diploma in Treasury Management and Finance  
International Capital Markets Qualification  
Advanced Diploma in Central Banking  
CAIB (SA) - Associate of the Institute of Bankers  
in South Africa

Assumption of Duty: February 2010



## ***Gerrie Botha***

---

Senior Executive Manager:  
Technical Specialist Advisor to the CEO

***Qualifications:***

National Diploma for Survey Technicians

B.Sc (Hons) (Civil Engineering)  
M.Sc Civil and Traffic Engineering

Assumption of Duty: September 2005



## ***Thabo Tsholetsane***

---

Senior Executive Manager:  
Road Traffic Law Enforcement, Education  
& Training

***Qualification:***

B.Juris

Assumption of Duty: September 2005



## ***Segodi Mogotsi***

---

Acting Senior Executive Manager: Special Projects

***Qualifications:***

B.A (Hons) Public Administration

B.A (Hons) Political Science

Assumption of Duty: February 2011



## ***Kopano Maponyane***

---

Acting Senior Executive Manager:  
Corporate Service

***Qualifications:***

National Diploma Human Resource Management

Advanced University Diploma:

Education; Training and Development

Assumption of Duty: March 2011



## ***Alfred Maepa***

---

Acting Chief Financial Officer:  
Finance

***Qualification:***

B Comm

Assumption of Duty: June 2009



## ***Refilwe Mongale***

---

Executive Manager  
Office of the CEO

***Qualifications:***

B.Com Economics  
Public Sector Governance Programme

Assumption of Duty: September 2010



## ***Muthuhadini Madzivhandila***

---

Executive Manager:  
Road Safety Education & Communications

***Qualifications:***

BA Psychology  
Masters: Developmental Studies

Assumption of Duty: March 2008



## ***Basil Nkhwashu***

---

Executive Manager:  
AARTO (Administrative Adjudication of Road Traffic  
Offences)

***Qualifications:***

National Diploma in Traffic Science  
Middle Management Certificate

Assumption of Duty: September 2010



## ***Pius Lebaka***

---

Acting Chief Information Officer

***Qualification:***

National Diploma IT

Assumption of Duty: June 2010



Refilwe Mongale  
Executive Manager  
Office of the CEO

## Section 3

### Corporate Governance Report

#### *Separation of RTIA from RTMC*

“In the year under review, the RTIA was separated from the RTMC, it is now a separately listed schedule 3A entity in the PFMA”

## **SECTION 3**

### **3. CORPORATE GOVERNANCE REPORT**

The Road Traffic Management Corporation (the Corporation) is a Schedule 3A Public Entity subjected to the provisions of the Public Finance Management Act, 1999 (Act No 1 of 1999) (PFMA). The Corporation has been enacted in terms of the Road Traffic Management Corporation Act, 1999 (Act 20 of 1999) (The Act); parts of the RTMC Mandate are also entrenched in the AARTO Act, National Land Transport ACT and the National Road Traffic Act.

#### **GOVERNANCE STRUCTURE**

The Corporation's governance structure, as dictated in the Act, consists of:

- A Shareholders Committee Sec 6 (1);
- A Board, subject to the decision of the Shareholders to appoint a Board Sec 8(1);
- A Chief Executive Officer; Sec 15(1)
- Managers of functional units in terms of Sec 19(1); and
- Such professionals, technical, administrative and support staff appointed for the proper performance of its function, Sec 20(1).

#### **Shareholders Committee**

The Corporation was established to pool powers and resources together to eliminate the fragmentation of responsibilities for all aspects of road traffic management across the national, provincial and local spheres of government. As such, the highest governance structure of the Corporation, the Shareholders Committee consists of national, provincial and local government representatives. It consists of the Minister of Transport, who is the Chairperson, every MEC of Transport and Safety and two representatives nominated by the national organisation recognised in terms of Sec 2 (2) of the Organised Local Government Act 1977.

The Shareholders Committee is responsible for directing and guiding the proper functioning of the Corporation in the public interest and for reflecting in its decision making procedures, the spirit of co-operation and mutual trust contemplated in Sec 41 of the Constitution. All members of the Shareholders Committee have equal powers and in the instance where there is more than one MEC representatives from a province, the provincial vote is exercised by the MEC whose portfolio is most closely connected to the function in respect of which the decision needs to be taken. The Shareholders Committee is required to meet at least four times a year in accordance with the Act. During the year under review the Shareholders Committee met twice on 14 April and 01 November 2010. The Secretariat of the Committee is the Public Entity Oversight Branch at the National Department of Transport.

#### **The Board of Directors**

The Shareholders Committee disbanded the Board on 15 April 2010. A new Board was not appointed at financial year end as the Shareholders Committee was still considering whether or not to appoint a Board. The Committees that would ordinarily form a function of the board were not in place during the year under review.

The Acting CEO of the Corporation, Mr. Collins Letsoalo was appointed the Accounting Authority as per Section 49(2)(b) of the PFMA Act on the 11th of February 2010. The Acting CEO fulfilled the governance functions within the organisation in the absence of a board and applicable committees.

#### **Executive Management**

The Executive Management Committee (EXCO) of the Corporation consists of the Executive and Senior Executive Management who assist the Acting CEO in his management and oversight responsibilities.

## Management Committee

The Management Committee (MANCO) of the Corporation consists of the Senior Management of the Corporation and the EXCO Collective. The Collective acted as a support to the Executive Committee.

## Road Traffic Management Coordinating Committee (RTMCC)

The purpose of the Committee is to co-ordinate road traffic management in the country. The members of the RTMCC currently are the Chief Directors of Provincial Traffic Departments, the Chiefs of Metropolitan Police Departments and Directors of Public Safety from the local municipal traffic departments.

The Committee meets on a quarterly basis and there were four meetings in the financial year under review.

There are sub-committees reporting to the RTMCC which include the following:

- Law Enforcement Technical Committee (LETCOM)
- Training Committee for Traffic Personnel (TCTP)
- Technical Committee for Standards and Procedures (TCSP)

## GOVERNANCE INTERVENTIONS

During the year under review there were a number of governance interventions aimed at improving the governance aspects of the organisation. These are listed below:

### Ministerial Task Team

During 2009 and early 2010 there were numerous allegations of poor governance and mismanagement within the Corporation. As a result of these allegations, the Minister of Transport appointed a Ministerial Task Team (Task Team) on 8 February 2010 to investigate these allegations within a period of six weeks. The Task Team requested an extension to make recommendations and finalized their report after sixteen weeks.

The Task Team consisted of Ms Riah Phiyega (Chairperson), Mr. Lee Dutton, Mr. Oupa Monamodi and Mr. Fouche Burges. Mr. Zakhele Thwala and Mr. Hilgard Mathews from the Department of Transport served as ex-officio members of the Task Team. The Minister delegated the Director-General of Transport, Mr George Mahlalela to champion the implementation of the mandate and to monitor progress made by the Task Team on Transport.

The Task team recommendations were presented to the Portfolio Committee and the Shareholders' Committee. Some of the recommendations have already being implemented. Currently some members of EXCO are on suspension as a result of the Task Team report.

### Portfolio Committee

The Minister made a presentation on the state of the Corporation at the Portfolio Committee for Transport on 16 November 2010. Recommendations were made for further deliberation on the state of the Corporation and this process is ongoing.

### Standing Committee on Public Accounts (SCOPA)

The Corporation appeared before the SCOPA on the 16th of February 2011. This Committee resolved to have a joint follow up meeting with the Portfolio Committee to deliberate on the challenges facing the corporation.

### Separation of The Road Traffic Infringement Agency (RTIA) from the RTMC

The process to fully separate the operations of the RTIA from the RTMC was undertaken during the year under review. The Agency will present a separate report on the state of its financial affairs and is scheduled in the PFMA. The RTMC continues to assist the Agency in administrative functions as per the recommendations of the Department of Transport.



Kopano Maponyane  
Acting Senior Executive Manager  
Corporate Services

*Section 4*

Human Resources Overview

"231 learners underwent Traffic Officer training in the year under review"

## SECTION 4

### 4. HUMAN RESOURCE OVERVIEW

#### 4.1. Staff Complement

The RTMC (the Corporation) staff complement dropped from 145 at the end of March 2010 to 137 by the end of March 2011. The organisation is confident that it is appointing the right calibre of staff members to deliver on its mandate. Working in a democratic dispensation gives the Corporation the opportunity to achieve a diverse workforce, broadly representative of the South African population. All attempts were made during the financial year under review 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 2010 to 31 March 2011)

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

### Permanent Staff (Excluding Interns & Learners)

Occupational Bands	Male					Female					Total
	African	Coloured	Asian	White	Total	African	Coloured	Asian	White	Total	
Senior Management	12	2	1	1	16	6	0	1	0	7	23
Highly Skilled - Supervision	17	0	2	4	23	19	0	1	3	23	46
Highly Skilled - Production	14	1	0	0	15	32	1	0	2	35	50
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>43</b>	<b>3</b>	<b>3</b>	<b>5</b>	<b>54</b>	<b>57</b>	<b>1</b>	<b>2</b>	<b>5</b>	<b>65</b>	<b>119</b>

**Table 4.1**

## Contract Employees

Occupational Bands	Male					Female					Total
	African	Coloured	Asian	White	Total	African	Coloured	Asian	White	Total	
Senior Management	0	0	0	0	0	1	0	0	0	0	1
Highly Skilled - Supervision	2	0	0	0	2	0	0	0	0	0	2
Highly Skilled - Production	6	0	0	0	6	4	0	0	0	4	10
Skilled	0	0	0	0	0	0	0	0	0	0	0
Lower Skilled	3	0	0	0	0	7	0	0	0	2	5
<b>Total</b>	<b>11</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>18</b>

**Table 4.2**

### 4.2. Performance Management

- The Corporation's Business Plan and Strategic Plan were linked with employees' Performance Agreements and Personal Development Plans. Performance Management and Development policy was implemented accordingly.

#### 4.2.1 Performance incentives for 2009/10 financial year as per approved PDMS policy

The Corporation did not pay performance incentives to the employees for the financial year 2009/2010.

### 4.3. Occupational Health and Safety

In complying with the Occupational Health and Safety Act, 1993 (Act no 85 of 1993), the Corporation conducted monthly inspections of fire extinguishers updated the register and placed it in the safety file. The OHS representatives were trained on fire fighting by the Tshwane City Council. One (1) injury on duty was reported for the period under review.

### 4.4. 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 3 and 4 that follow reflect the amount of vacation leave utilised by both permanent and contract staff members.

## Vacation Leave Utilisation

Occupational Bands	Male				Female				Total
	African	Coloured	Asian	White	African	Coloured	Asian	White	
Senior Management Levels 13 -16	123	36	21	0	126	0	10	0	316
Highly Skilled - Supervision Levels 9 - 12	334	0	62	103	476	0	23	36	1034
Highly Skilled - Production Levels 6 - 8	348	30	0	0	835	21	0	27	1261
Skilled Levels 3- 5	0	0	0	0	0	0	0	0	0
Lower Skilled Levels 1 - 2	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>805</b>	<b>66</b>	<b>83</b>	<b>103</b>	<b>1437</b>	<b>21</b>	<b>33</b>	<b>63</b>	<b>2606</b>

**Table 4.3**

## Vacation Leave Utilisation For Contract Employees In the Corporation

Occupational Bands	Male				Female				Total
	African	Coloured	Asian	White	African	Coloured	Asian	White	
Senior Management Levels 13 -16	0	0	0	0	4	0	0	0	4
Highly Skilled - Supervision Levels 9 - 12	10	0	0	0	0	0	0	0	10
Highly Skilled - Production Levels 6 - 8	50	0	0	0	85	0	0	0	135
Skilled Levels 3- 5	0	0	0	0	0	0	0	0	0
Lower Skilled Levels 1 - 2	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>62</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>89</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>149</b>

**Table 4.4**

#### 4.5.Capped Leave

The total amount for capped leave is R 314 103 and it relates to employees who were originally with the Department of Transport.

#### 4.6. Appointments

Table 4.5 below shows number of appointments per salary band.

Occupational Bands	Male				Female				Total
	African	Coloured	Asian	White	African	Coloured	Asian	White	
Senior Management Levels 13 -16	2	0	0	0	1	0	0	0	3
Highly Skilled - Supervision Levels 9 - 12	4	0	0	0	0	0	0	0	4
Highly Skilled - Production Levels 6 - 8	0	0	0	0	0	0	0	0	0
Skilled Levels 3- 5	0	0	0	0	0	0	0	0	0
Lower Skilled Levels 1 - 2	0	0	0	0	0	0	0	0	0
Total	6	0	0	0	1	0	0	0	7

**Table 4.5**

#### 4.7. Promotions

There were three promotions in the year under review as captured in table 7 below. This includes the upgrading of salary packages.

Occupational Bands	Male				Female				Total
	African	Coloured	Asian	White	African	Coloured	Asian	White	
Senior Management Levels 13 -16	1	0	0	0	0	0	0	0	1
Highly Skilled - Supervision Levels 9 - 12	1	0	0	0	1	0	0	0	2
Highly Skilled - Production Levels 6 - 8	0	0	0	0	0	0	0	0	0
Skilled Levels 3- 5	0	0	0	0	0	0	0	0	0
Lower Skilled Levels 1 - 2	0	0	0	0	0	0	0	0	0
Total	2	0	0	0	1	0	0	0	3

**Table 7**

#### 4.8. Disciplinary Action

Table 8 below shows the number of disciplinary action per salary band.

Occupational Bands	Male				Female				Total
	African	Coloured	Asian	White	African	Coloured	Asian	White	
Senior Management Levels 13 -16	5	0	1	1	2	0	1	0	10
Highly Skilled - Supervision Levels 9 - 12	0	0	0	0	2	0	0	0	2
Highly Skilled - Production Levels 6 - 8	0	0	0	0	1	0	0	0	1
Skilled Levels 3- 5	0	0	0	0	0	0	0	0	0
Lower Skilled Levels 1 - 2	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>5</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>5</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>13</b>

**Table 8**

#### 4.9. Misconduct and disciplinary hearings finalised

Table 9 below reflects the number of disciplinary hearings finalised.

Outcomes of Disciplinary Hearings/Management Actions	Number
Correctional Counselling	0
Verbal Warning	0
Written Warning	5
Final Written Warning	3
Suspended Without Pay	0
Fine	0
Demotion	0
Dismissal	3
Not Guilty	0
Case Withdrawn	0
<b>Total</b>	<b>11</b>

**Table 9**

Table 10 below reflects the total number of disciplinary hearings

Disciplinary Hearings	6
-----------------------	---

**Table 10**

Four (04) of the employees were on suspension with pay and the hearings were ongoing at the financial year end, 2 have since been settled.

**Grievances lodged**

Table 11 below reflects the number of grievances lodged .

Total number of grievances lodged	2
-----------------------------------	---

**Table 11**

**Disputes lodged**

Table 12 below reflects the number of disputes lodged.

	Number
Number of Disputes Upheld	0
Number of Disputes Dismissed	5
Total Number of Disputes Lodges	5

**Table 12**

**Strike actions**

Table 13 below reflects the number of days lost to strike actions.

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

**Table 13**

#### 4.10 Resignations

Table 14 Below reflects the number of resignations per salary band.

Occupational Bands	Male				Female				Total
	African	Coloured	Asian	White	African	Coloured	Asian	White	
Senior Management Levels 13 -16	1	0	0	0	0	0	0	0	1
Highly Skilled - Supervision Levels 9 - 12	3	0	0	0	4	0	0	0	7
Highly Skilled - Production Levels 6 - 8	1	0	0	0	2	0	0	0	3
Skilled Levels 3- 5	0	0	0	0	0	0	0	0	0
Lower Skilled 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>0</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11</b>

**Table 14**

\*Staff resigned voluntarily to take up other positions.

#### 4.11. Termination of Service by Death

There were no terminations by death in the year under review.



Road Traffic  
Management Corporation



RTMC Pass-Out Parade.



RTMC Mzansi Traffic Beat Magazine Launch.



Thabo Tsholetsane  
Senior Executive Manager  
Road Traffic Law Enforcement, Education & Training

*Section 5*

State of Road Traffic Report 2010 / 11

## SECTION 5



**Magadi Gainewe**

Senior Manager:  
Road Traffic Information

### 5. STATE OF ROAD TRAFFIC REPORT

#### PREAMBLE

The Road Traffic Management Corporation (the Corporation) gathers crash data from the South African Police Services (SAPS), Provincial Traffic Authorities, and Metropolitan Municipalities through Accident Report Forms and the Quick Response forms which are obtained from police stations where road crashes have been reported. Upon receipt of these 'Accident Report Forms' the Metropolitan Municipalities, Provincial Traffic Authorities and Corporation then capture the data contained in the forms. The Accident Report forms contain data for all crash types. The Quick Response forms, which are mainly used to record fatal crashes, are captured only by the Corporation.

Other data sources include the National Traffic Information System which captures and registers all vehicles in the country, and Statistics South Africa for human population data.

The Corporation further undertakes Road Traffic Offence Surveys on an annual basis and this also serves as another data source. The following are the objectives of these surveys:

- To determine the general level of lawlessness on our roads;
- To assist the Corporation to determine the impact of intervention strategies to promote road safety in the country.
- To monitor and evaluate the capacities of the Corporation and traffic authorities to implement efficient and effective road safety interventions.
- To assist the Traffic authorities to determine whether the road users know and understand their rights and obligations to promote road safety in the country.
- To determine the fitness of drivers and vehicles.
- To determine the management capacity of the Corporation to interpret the results and develop road safety policies and strategies to reduce carnage on the road network.

#### Targets used for the survey

The targets for the evaluation of the level of compliance by the road users are the following:

- Exceeding the speed limit: Maximum 5% defective rate (i.e. not more than 5% offenders)
- Exceeding the legal breath alcohol limit: Maximum of 0.4% defective rate at any time of the day or night (i.e. not more than 1 offender in 250 drivers tested found over the legal limit)
- Overtaking on a barrier line: Maximum of 1% barrier line offences (1 offence for every 100 convoys observed)

- Vehicles disobeying traffic signals: Maximum of 1% of red phases with an offence
- Wearing of seat belts: Maximum 15% offence rate
- The use of child restraints: Maximum 15% offence rate
- Driving licence present and valid: Maximum 1% offence rate
- The validity of the vehicle licence discs and correlation between the registration disc and number plate: Maximum 1% offence rate
- Professional Driving Permit (PrDP) present and valid: Maximum 1% offence rate
- Worn vehicle tyres: Maximum 1% defective rate
- Vehicle lights defective: Maximum 1% defective rate
- The use of cellular phones while driving a vehicle: Maximum 1% offence rate
- Pedestrians disobeying traffic signals: Maximum of 1% of red phases with an offence

## Limitations

The Corporation further receives the Case Analysis System (CAS) Report from the South African Police Services. This particular report assists with data validation of the data already received from the various Police Stations regarding fatal crashes only. In the reporting and capturing of road crash data it sometimes happens that crashes are duplicated. The checking, cross-checking and verification of data is a lengthy and time consuming manual process, which amongst others involves the comparison of the initial data received from individual police stations at the time of the crash with that received from the central SAPS database. The process also involves the identification and elimination of duplicated reports; as well as follow-ups on the un-confirmed crash data.

The following reduction has been observed for variables for the period under review:

- Fatal Crashes (0.94%) from 10 948 to 10 845
- Fatalities (0.86%) from 13 923 to 13 802
- Un-roadworthy vehicles (7.01%) from 438 701 to 407 930
- Number of fatal crashes per 10,000 motorised vehicles (3.46%) from 12.80 to 12.36
- Number of fatalities per 10,000 motorised vehicles (3.38%) from 16.27 to 15.72
- Number of fatalities per 100,000 Human Population (2.20%) from 28.13 to 27.51

The following changes were observed in the SA averages for the different offences used to calculate the overall offence index from the offence survey:

- The urban speed offence index **decreased** from 6.3 to 5.6.
- The rural speed offence index **decreased** from 7.9 to 5.6.
- The night time alcohol offence index **decreased** from 2.4 to 2.3.
- The unobserved seatbelt offence index for drivers **decreased** from 1.5 to 0.8.
- The day time traffic signal offence index **decreased** from 24.7 to 12.3.
- The day time barrier line offence index **decreased** from 16.1 to 10.3.
- The driver's license offence index **decreased** from 1.5 to 0.8.
- The PDRP offence index **decreased** from 2.0 to 0.8.
- The worn tyres offence index **decreased** from 6.8 to 5.6.
- The front bright light offence index **decreased** from 1.1 to 1.0.
- The tail light offence index **decreased** from 0.6 to 0.5.
- The overall offence index has **decreased** from 5.6 to 4.2.

The Corporation is working tirelessly to improve data quality through a use of expanded data sources, the development of a new Crash Data Management System (CDIMS) and improved data collection and capturing.

### Correlation between number of vehicles in crashes and traffic offence indices

Comparison Between Number of Vehicles in Crashes and Traffic Offence Indices										
Number of Vehicles in Fatal Crashes										
Year	GA	KZ	WC	EC	FS	MP	NW	LI	NC	RSA
2009 - 10	2153	2216	1085	1069	762	1277	940	1181	265	10 948
2010 - 11	2008	2247	1026	1307	799	1179	831	1165	283	10 845
Change	-145	31	-59	238	37	-98	-109	-16	18	-103
% Change	-6.73	1.40	-5.44	22.26	4.86	-7.67	-11.60	-1.35	6.79	-0.94
Combined Offence Index										
Year	GA	KZ	WC	EC	FS	MP	NW	LI	NC	RSA
2009	5.8	6	5	5.9	5	6.2	5.1	5.7	4.3	5.6
2010	3.3	5.9	4.6	5	4.1	3.6	3.6	4.8	4.3	4.2
Change	-2.5	-0.1	-0.4	-0.9	-0.9	-2.6	-1.5	-0.9	0	-1.4
% Change	-75.8%	-1.7%	-8.7%	-18.0%	-22.0%	-72.2%	-41.7%	-18.8%	0.0%	-33.3%

**Table 5.1**

The table 5.1 above shows that there is a correlation in the change in the number of fatal crashes and the change in the overall combined offence index. Only Kwa-Zulu Natal, Eastern Cape, Free State and Northern Cape, did not show a correlation.

On a National level, the fatal crashes decreased by 0.94% and the offence index decreased by 33.3%.

On a provincial basis the biggest decreases were recorded for:

- Gauteng : Fatal crashes decreased by 6.73% and offence index with 75.8%
- Mpumalanga : Fatal crashes decreased 7.67% and offence index with 72.2%
- North West : Fatal crashes decreased 11.60% and offence index with 41.7%

The downward trend of the variables above may be attributed to the following programmes undertaken by the Corporation for the period under review:

- The effective and efficient Coordination of Traffic Law Enforcement Operations across the three tiers of government through the National Rolling Enforcement Plan (NREP), the results of which are captured in Section 6 of this report.

- Road Safety Education projects in which Scholar Patrol programme in all nine provinces; These included Road Safety Schools Debates and Participatory Educational Techniques which target schools were delivered. Added to this were programmes targeting drivers and they included a RTMC/Brandhouse Number 1 Taxi Driver competition, the Professional Driver Championship programme and a participation in the International Driver Competition.

Note: The report should be read with the above mentioned issues in mind. It should also be noted that with the new approach of reporting according to the 30 days international standard, the figures of fatalities in South Africa may increase dramatically as compared to previous years.

## 5.1 Measuring Progress towards Achieving Target to Reduce Fatalities by 50% by 2015

In line with Millennium Development Goals, one of the goals of the 2015 Road Traffic Safety Management Plan is to reduce by half the rate of accident fatalities arising from road and other transport 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 in the table below, shown as "Target" figures or maximum allowable number of fatalities.

Rolling 12 Month Number of Road Fatalities per Province											
Year	Item	GA	KZ	WC	EC	FS	MP	NW	LI	NC	RSA
March '10	Target	2824	2133	1420	1410	967	1534	1078	1182	327	12 875
	Actual	2426	2795	1307	1517	1098	1651	1204	1554	370	13 923
	Difference	-398	661	-113	107	131	118	126	372	43	1048
	% Diff	-14.10%	31.00	-7.96	7.59	13.58	7.66	11.73	31.43	13.23	8.14
June '10	Target	2774	2096	1395	1385	950	1507	1059	1161	321	12 646
	Actual	2248	2752	1349	1763	1154	1589	1152	1511	411	13 929
	Difference	-527	656	-45	379	204	83	93	349	90	1282
	% Diff	-18.98	31.31	-3.24	27.35	21.48	5.48	8.80	30.10	28.01	10.14
Sept '10	Target	2725	2058	1370	1360	933	1480	1040	1141	315	12 422
	Actual	2272	2709	1332	1786	1167	1603	1172	1553	411	14 005
	Difference	-453	651	-38	426	234	124	132	412	96	1583
	% Diff	-16.64	31.63	-2.78	31.36	25.04	8.35	12.67	36.13	30.40	12.75
Dec '10	Target	2677	2022	1346	1336	917	1454	1022	1120	310	12 201
	Actual	2181	2788	1323	1784	1169	1591	1159	1528	446	13 967
	Difference	-496	766	-23	448	253	137	137	407	136	1766
	% Diff	-18.53	37.87	-1.71	33.57	27.58	9.43	13.43	36.35	44.03	14.47

(Continued)

(Continued)

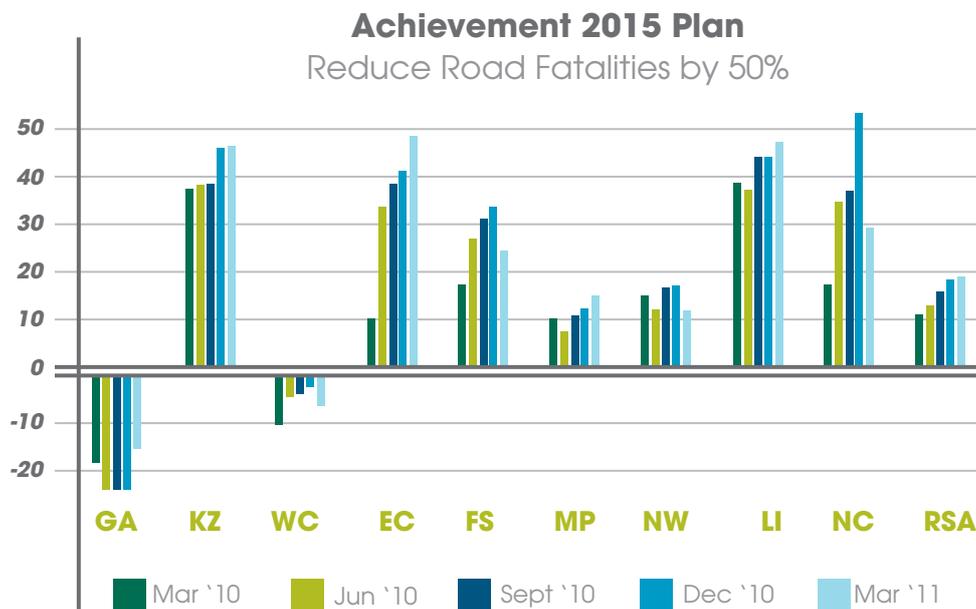
Rolling 12 Month Number of Road Fatalities per Province											
Year	Item	GA	KZ	WC	EC	FS	MP	NW	LI	NC	RSA
Mar '11	Target	2625	1983	1320	1310	899	1426	1002	1099	340	11 968
	Actual	2318	2741	1258	1827	1074	1594	1093	1522	376	13 802
	Difference	-307	758	-62	516	176	168	91	423	72	1766
	% Diff	-11.70	38.20	-4.71	39.40	19.52	11.80	9.10	38.49	23.63	15.32

**Table 5.2**

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 RSA on a national basis.

The difference; as well as the percentage difference figures in the table shows 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) show achievements better than was expected or required and differences larger than "0" (>0) show that the required targets were not achieved and reflect inadequate performance towards reaching the desired goal per quarter and ultimately the 2015 goal.

The % difference in meeting the set targets per province is also reflected in the figure below.



**Figure 5.1**

The information in the table and graph 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 are:

- Gauteng: which is also continuously improved its performance from -14,10% in March 2010 to -11,70% in March 2011;
- Western Cape: showed an improvement performance from -7,96% in March 2010 to -4,71% in March 2011.

The provinces that are not performing as required, (Differences larger than "0") are KwaZulu-Natal, Eastern Cape and Limpopo.

National - RSA: Over the review period the national figures ranged from +8,14% in March 2010 to +15,32% in March 2011. The country's performance towards the reduction of fatalities by 50% for the assessed period deteriorated. The worst performing Provinces listed above, contributed to this non-achieving trend with the biggest negative influence from KwaZulu-Natal, Eastern Cape, Limpopo and Northern Cape.

## 5.2. Vehicle Population

The national number of registered vehicles increased by 266 032 (2,75%) from 9 678 989 on 31 March 2010 to 9 945 021 vehicles on 31 March 2011. Detail per type of vehicle is given in the table below.

Number of Registered Vehicles	Number Registered	Number Registered	Change	% Change	% of Group	% of Total
Motorised Vehicles	March 2010	March 2011			March 2011	March 2011
<b>Motorcars</b>	5 472 090	5 675 488	203 398	3.72	63.58	57.07
<b>Minibuses</b>	282 793	285 858	3065	1.08	3.20	2.87
<b>Buses</b>	45 858	47 799	1941	4.23	0.54	0.48
<b>Motorcycles</b>	367 162	331 271	-35 891	-9.78	3.71	3.33
<b>LDV's - Bakkies</b>	1 965 316	2 025 074	59 758	3.04	22.69	20.36
<b>Trucks</b>	3321 729	326 721	4992	1.55	3.66	3.29
<b>Other &amp; Unkown</b>	231 084	234 337	3253	1.41	2.63	2.36
<b>Total Motorised</b>	8 686 032	8 926 548	240 516	2.77	100.00	89.76

Source: eNaTIS

Table 5.3.1

Number of Registered Vehicles	Number Registered	Number Registered	Change	% Change	% of Group	% of Total
Towed Vehicles	March 2010	March 2011			March 2011	March 2011
<b>Caravans</b>	105 480	105 135	-345	-0.33	10.32	1.06
<b>Heavy Trailers</b>	146 991	151 740	4749	3.23	14.90	1.53
<b>Light Trailers</b>	723 629	744 718	21 089	2.91	73.12	7.49
<b>Other &amp; Unkown</b>	16 857	16 880	23	0.14	1.66	0.17
<b>Total Towed</b>	992 957	1 018 473	25 516	2.57	100.00	10.24

Table 5.3.2

Source: eNaTIS

The information above shows that on a percentage basis the biggest change was for buses which increased by 4,23% to 47 799, followed by motorcars which increased by 3,72% to 203 398 and heavy trailers which increased by 3,23% to 151 740.

The total motor vehicle population per Province for March 2010 and March 2011 respectively, is given in the table below.

<b>Number of Registered Vehicles per Province</b>	<b>Number Registered March 2010</b>	<b>Number Registered March 2011</b>	<b>Change</b>	<b>% Change</b>	<b>% of Total March 2011</b>
<b>Gauteng</b>	3 718 277	3 865 050	146 773	3.95	38.86
<b>KwaZulu Natal</b>	1 317 363	1 348 053	30 690	2.33	13.56
<b>Western Cape</b>	1 579 358	1 610 098	30 740	1.95	16.19
<b>Eastern Cape</b>	666 304	685 159	18 855	2.83	6.89
<b>Free State</b>	543 472	552 880	9408	1.73	5.56
<b>Mpumalanga</b>	617 533	645 862	28 329	4.59	6.49
<b>North West</b>	545 864	516 632	-29 232	-5.36	5.19
<b>Limpopo</b>	475 085	498 925	23 840	5.02	5.02
<b>Northern Cape</b>	215 733	222 362	6629	3.07	2.24
<b>RSA</b>	9 678 989	9 945 021	266 032	2.75	100

**Table 5.4**

**Source: eNaTIS**

Over the past year from March 2010 to March 2011 the biggest percentage growth in total vehicles was recorded in Limpopo with a growth of 5,02%, followed by Mpumalanga with a growth of 4,59%.

The information in the table above shows that 38,86% of all vehicles are registered in Gauteng; 16,19% in Western Cape and 13,56% in KwaZulu-Natal.

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

Un-roadworthy vehicles are defined as those where the owners failed to submit the vehicles for compulsory annual roadworthy tests (including buses, minibus taxis and freight transport vehicles) or on change of ownership. Un-licensed vehicles are those where the owners failed to renew the vehicle licences within the time frame allowed.

On a national basis the total number of vehicles that are either un-roadworthy, un-licensed or both decreased by 15,454 (1,95%) from 791,729 vehicles on 31 March 2010 to 776,275 vehicles on 31 March 2011. Detail regarding type of vehicle is provided in the table below and the percentage (%) change from 2010 to 2011 reflected in the table that follows.

Number of Un-Roadworthy, Un-Licensed Vehicles or Both				
Vehicle Type	March 2010	March 2011	Change	% Change
Motorcars	373 849	399 673	25 824	6.91
Minibuses	49 915	49 735	-180	-0.36
Buses	5856	5745	-111	-1.90
Motorcycles	98 875	57 291	-41 584	-42.06
LDV's - Bakkies	122 794	128 142	5348	4.36
Trucks	54 350	48 836	-5514	-10.15
Caravans	6309	6580	271	4.30
Heavy Trailers	21 097	18 581	-2516	-11.93
Light Trailers	41 104	43 115	2011	4.89
Unknown	17 580	18 577	997	5.67
<b>All Vehicles</b>	<b>791 729</b>	<b>776 275</b>	<b>-15 454</b>	<b>-1.95</b>

**Table 5.5**

**Source: eNaTIS**

The information in the table above shows that with the exception of heavy trailers, trucks, motorcycles, buses and minibuses, increases were recorded for most types of vehicles in this regard. The biggest increase was recorded for motorcars, and the biggest decrease was recorded for motorcycles.

Detail on the number of vehicles that are either un-roadworthy, un-licensed or both per Province is provided in the table as well as the percentage (%) change from 2010 to 2011.

Number of Vehicles that are Unroadworthy OR Unlicensed OR both										
Year	GA	KZ	WC	EC	FS	MP	NW	LI	NC	RSA
March 2010	324 394	114 878	92 840	52 352	49 016	54 051	49 051	40 272	14 165	791 729
March 2011	322 669	110 350	89 080	54 073	47 474	55 752	43 287	40 212	13 378	776 275
Change	-1725	-4528	-3760	1721	-1542	991	-5764	-60	-787	-15 454
% Change	-0.53	-3.94	4.05	3.29	-3.15	1.81	-11.75	-0.15	-5.56	-1.95

**Table 5.6**

**Source: eNaTIS**

The information in the table above shows that with the exception of Eastern Cape and Mpumalanga, all other provinces recorded a decrease regarding unlicensed and un-roadworthy vehicles.

#### 5.4 Number of Un-Roadworthy Vehicles

The number of vehicles that are un-roadworthy (but licenced) decreased by 30,771 (7,01%) from 438,701 vehicles on 31 March 2010 to 407,930 vehicles on 31 March 2011. Detail is given in the table below as well as the percentage of un-roadworthy vehicles per type of vehicle.

<b>Number of Un-Roadworthy Vehicles</b>				
<b>Vehicle Type</b>	<b>March 2010</b>	<b>March 2011</b>	<b>Change</b>	<b>% Change</b>
<b>Motorcars</b>	172 292	191 505	19 213	11.15
<b>Minibuses</b>	35 311	33 015	-2296	-6.50
<b>Buses</b>	4662	4199	-463	-9.93
<b>Motorcycles</b>	78 332	33 973	-44 359	-56.63
<b>LDV's - Bakkies</b>	58 519	62 642	4123	7.05
<b>Trucks</b>	42 978	37 083	-5895	-13.72
<b>Caravans</b>	3319	3321	2	0.06
<b>Heavy Trailers</b>	17 232	15 016	-2216	-12.86
<b>Light Trailers</b>	14 952	15 599	647	4.33
<b>Unknown</b>	11 104	11 577	473	4.26
<b>All Vehicles</b>	438 701	407 930	-30 771	-7.01

**Table 5.7**

**Source: eNaTIS**

The information in the table above shows that with exception of motorcars, LDV's-Bakkie, caravans, light trailer and known all vehicle types experienced a decrease in this regard. The biggest increase was recorded for motorcars which increased by 19,213 (11,15%) from 172,292 at the end of March 2010 to 191,505 un-roadworthy at the end of March 2011.

Detail on the number of vehicles that are un-roadworthy per Province is provided and the percentage (%) change from 2010 to 2011 are reflected in the table below.

Number of Unroadworthy Vehicles										
Year	GA	KZ	WC	EC	FS	MP	NW	LI	NC	RSA
March 2010	185 002	64 714	45 673	24 851	28 622	32 985	27 792	21 699	7363	438 701
March 2011	174 077	60 412	44 426	23 507	26 573	30 561	22 214	19 868	6292	407 930
Change	-10 925	-4302	-1247	-1344	-2049	-2424	-5578	-1831	-1071	-30 771
% Change	-5.91	-6.65	-2.73	-5.41	-7.16	-7.35	-20.07	-8.44	-14.55	-7.01

**Table 5.8**

**Source: eNaTIS**

The information in the table above show that all provinces recorded a decrease in the number of un-roadworthy vehicles. On a percentage basis the biggest decrease was recorded in North West where the number of un-roadworthy vehicles decreased by 5,578 (20,07%) from 27,792 in 2010 to 22,214 at the end of March 2011. Other large decreases in this regard are: Northern Cape with a decrease of 14,55% followed by Limpopo with a decrease of 8,44%.

### 5.5 Number of Un-Licensed Vehicles

On a national basis the number of un-licensed vehicles increased by 8,052 (2,56%) from 315,076 vehicles on 31 March 2010 to 323,128 vehicles on 31 March 2011. Detail per type of vehicle is given in the table below as well as the percentage of un-licensed vehicles per type of vehicle, as a percentage of the number registered.

Number of Un-Licensed Vehicles				
Vehicle Type	March 2010	March 2011	Change	% Change
Motorcars	180 704	184 256	3552	1.97
Minibuses	11 241	12 258	1017	9.05
Buses	910	1170	260	28.57
Motorcycles	18 172	20 083	1911	10.52
LDV's - Bakkies	57 953	58 204	251	0.43
Trucks	9088	8978	-110	-1.21
Caravans	2802	2986	184	6.57
Heavy Trailers	3224	2842	-382	-11.85
Light Trailers	25 094	26 089	995	3.97
Unknown	5888	6262	374	6.35
All Vehicles	315 076	323 128	8052	2.56

**Table 5.9**

**Source: eNaTIS**

The information in the table above shows that with exception of trucks and heavy trailers an increase in the number of un-licensed vehicles was recorded for all other vehicle types. On a percentage basis the biggest increases were recorded for buses (28,57%) and Motorcycles (10,52%).

Detail on the number of vehicles that are un-licensed per Province is provided in the table below as well as the percentage (%) change from 2010 to 2011.

Number of Un-Licensed Vehicles										
Year	GA	KZ	WC	EC	FS	MP	NW	LI	NC	RSA
March 2010	126 595	43 077	42 444	24 145	17 945	19 061	18 966	16 564	6279	315 076
March 2011	132 416	42 337	39 780	26 701	17 941	21 403	18 484	17 659	6407	323 128
Change	5821	-740	-2664	2556	-4	2342	-482	1095	128	8052
% Change	4.60	-1.72	-6.28	10.59	-0.02	12.29	-2.54	6.61	2.04	2.56

**Table 5.10**

**Source: eNATIS**

The information in the table above shows that the biggest increase in the number of un-licensed vehicles were recorded in Mpumalanga (12,29%), followed by Eastern Cape with 10,59%.

## 5.6 Driver Population

### 5.6.1 Learner Driving Licences

The number of learner driving licences issued increased by 49,030 (3,77%) from 1,300,771 on 31 March 2010 to 1,349,801 on 31 March 2011. Detail on the number of learner driving licences issued per Province is given in the table below.

Number of Learners Licences Issued Per Province										
Year	GA	KZ	WC	EC	FS	MP	NW	LI	NC	RSA
March 2010	415 818	191 573	189 644	111 590	77 694	93 052	83 848	107 702	29 850	1 300 771
March 2011	423 995	203 400	203 681	119 254	81 119	103 062	76 086	109 983	29 221	1 349 801
Change	8177	11 827	14 037	7664	3425	10 010	-7762	2281	-629	49 030
% Change	1.97	6.17	7.40	6.87	4.41	10.76	-9.26	2.12	-2.11	3.77

**Table 5.11**

**Source: eNATIS**

### 5.6.2 Number of Driving Licences Issued

The number of driving licences issued increased by 435,240 (4,88%) from 8,915,649 on 31 March 2010 to 9,350,889 on 31 March 2011. Detail on the number of driving licences issued per category is given in the table below.

<b>Number of Driving Licences Issued</b>				
<b>Category</b>	<b>March 2010</b>	<b>March 2011</b>	<b>Change</b>	<b>% Change</b>
<b>A1</b>	416 442	425 040	8598	2.06
<b>A</b>	122 423	123 044	621	0.51
<b>B</b>	1 665 914	1 832 860	166 946	10.02
<b>EB</b>	15 146	16 099	953	6.29
<b>C1</b>	1 590 966	1 836 842	245 876	15.45
<b>EC1</b>	3 621 105	3 625 203	4096	0.11
<b>C</b>	878 251	887 691	9440	1.07
<b>EC</b>	605 402	604 110	-1292	-0.21
<b>Total</b>	8 915 649	9 350 889	435 240	4.88

**Table 5.12**

**Source: eNaTIS**

The Provincial breakdown is given in the table below.

<b>Number of Driving Licences Issued Per Province</b>										
<b>Year</b>	<b>GA</b>	<b>KZ</b>	<b>WC</b>	<b>EC</b>	<b>FS</b>	<b>MP</b>	<b>NW</b>	<b>LI</b>	<b>NC</b>	<b>RSA</b>
<b>March 2010</b>	3 121 871	1 429 195	1 470 471	657 447	494 474	547 367	469 452	551 188	174 184	8 915 649
<b>March 2011</b>	3 303 569	1 492 116	1 535 430	685 102	511 368	588 785	457 456	596 271	180 792	9 350 889
<b>Change</b>	181 698	62 921	64 959	27 655	16 894	41 418	-11 996	45 083	6608	435 240
<b>% Change</b>	5.82	4.40	4.42	4.21	3.42	7.57	-2.56	8.18	3.79	4.88

**Table 5.13**

**Source: eNaTIS**

### 5.6.3 Number of Driving Licence Cards Expired

The information in the table below shows that on 31 March 2011 there were a total of 1,987,802 expired driving licence cards recorded on the National Traffic Information System (NaTIS). This figure represents 21,26% of all driving licences issued.

March 2011	Number of Driving Licence Cards Issued and Expired Per Province									
	GA	KZ	WC	EC	FS	MP	NW	LI	NC	RSA
<b>On System</b>	3 303 569	1 492 116	1 535 430	685 102	511 368	588 785	457 456	596 271	180 792	9 350 889
<b>Not Expired</b>	2 630 240	1 159 742	1 243 952	488 404	398 236	463 030	363 013	469 883	146 587	7 363 087
<b>Expired</b>	673 329	332 374	291 478	196 698	113 132	125 755	94 443	126 388	34 205	1 987 802
<b>% Expired</b>	20.38	22.28	18.98	28.71	22.12	21.36	20.65	21.20	18.92	21.26

Source: eNaTIS

Table 5.14

#### 5.6.4 Professional Driving Permits Issued

The number of Professional Driving Permits (PrDP's) issued increased by 31,588 (3, 92%) from 806,461 on 31 March 2010 to 838,049 on 31 March 2011. Detail on the number of PrDPs issued per category is given in the table below.

Number of PrDP's Issued				
Category	March 2010	March 2011	Change	% Change
<b>Goods Only (G)</b>	11 286	11 255	-31	-0.27
<b>Passengers Only (P)</b>	2243	1482	-761	-33.93
<b>Passengers &amp; Goods (PG)</b>	757 096	802 392	45 296	5.98
<b>Dangerous Substances &amp; Goods (DG)</b>	168	126	-42	-25.00
<b>Dangerous Substances, Passengers &amp; Goods (DPG)</b>	35 668	22 794	-12 874	-36.09
<b>Total</b>	806 461	838 049	31 588	3.92

Source: eNaTIS

Table 5.15

Provincial information in this regard is given in the table that follows.

### Number of Professional Driving Permits (PrDP's) Issued Per Province

Year	GA	KZ	WC	EC	FS	MP	NW	LI	NC	RSA
March 2010	220 851	136 860	111 113	63 138	53 189	71 634	49 824	79 424	20 428	806 461
March 2011	229 794	142 052	118 185	65 708	52 909	76 512	46 663	85 652	20 574	838 049
Change	8943	5192	7072	2570	-280	4878	-3161	6228	146	31 588
% Change	4.05	3.79	6.36	4.07	-0.53	6.81	-6.34	7.84	0.71	3.92

Source: eNATIS

Table 5.16

## 5.7 Fatal Road Traffic Crashes and Fatalities

### 5.7.1 Number of Fatal Crashes

Over the 12-month period from 1 April 2010 to 31 March 2011 the number of fatal crashes decreased by 103 (0,94%) from 10,948 crashes over the same period the previous year to 10,845 in 2011. Provincial detail in this regard is given in the table below.

### Number of Fatal Crashes Per Province Over 12 Month Period

Year	GA	KZ	WC	EC	FS	MP	NW	LI	NC	RSA
2009 - 10	2153	2216	1085	1069	762	1277	940	1181	265	10 948
2010 - 11	2008	2247	1026	1307	799	1179	831	1165	283	10 845
Change	-145	31	-59	238	37	-98	-109	-16	18	-103
% Change	-6.73	1.40	-5.44	22.26	4.86	-7.67	-11.60	-1.35	6.79	-0.94

Table 5.17

With the exception of KwaZulu-Natal, Eastern Cape, Free State and Northern Cape, decreases in the number of fatal crashes were recorded in all other Provinces. On a provincial percentage basis the biggest increases over the 12-month period from 1 April 2010 to 31 March 2011 were recorded as follows:

- Eastern Cape: an increase of 238 (22,26%) from 1,069 to 1,307;
- Northern Cape: an increase of 18 (6,79%) from 265 to 283; and
- Free State: an increase of 37 (4,86%) from 762 to 799.

### 5.7.2 Number of Fatalities

Over the 12-month period from 1 April 2010 to 31 March 2011 the number of fatalities decreased by 120 (0,86%) from 13,923 fatalities over the same period the previous year to 13,802. Provincial detail in this regard is given in the table that follows.

Number Of Fatalities Per Province Over 12 Month Period										
Year	GA	KZ	WC	EC	FS	MP	NW	LI	NC	RSA
2009 - 10	2426	2795	1307	1517	1098	1651	1204	1554	370	13 923
2010 - 11	2318	2741	1258	1827	1074	1594	1093	1522	376	13 802
Change	-108	-54	-49	310	-24	-57	-111	-32	6	-120
% Change	-4.46	-1.93	-3.75	20.43	-2.18	-3.47	-9.23	-2.05	1.49	-0.86

**Table 5.18**

With the exception of Eastern Cape all other Provinces recorded a decrease in fatalities. On a provincial percentage basis the biggest decreases were recorded as follows:

- North West : decrease of 111 (9,23%( from 1,204 to 1,093);
- Gauteng: decrease of 108 (4,46%); and
- Western Cape: decrease of 49 (3,75%).

In the Eastern Cape the number of fatalities increased by 310 (20,43%) from 1,517 to 1,827. The national monthly number of fatalities over the 12-month period is reflected in the table below.

Monthly Number of Fatalities				
Month	2009 - 10	2010 - 11	Change	% Change
Apr	1165	1099	-66	-5.66
May	1208	1179	-29	-2.43
Jun	1072	1174	102	9.48
Jul	1227	1322	95	7.73
Aug	1235	1213	-22	-1.75
Sep	1279	1282	3	0.25
Oct	1132	1177	45	3.97
Nov	1133	1083	-50	-4.44
Dec	1398	1365	-33	-2.33
Jan	971	871	-99	-10.24

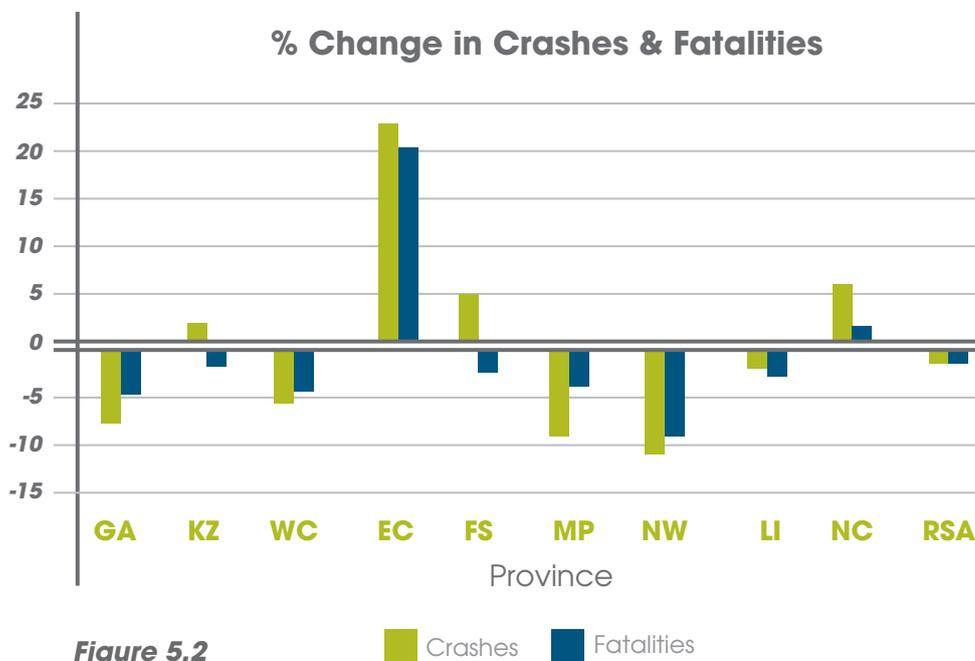
*(Continued)*

(Continued)

<b>Feb</b>	1015	982	-33	-3.22
<b>Mar</b>	1088	1056	-33	-3.01
<b>Total</b>	13 923	13 802	-120	-0.86

**Table 5.19**

The percentage change in the number of fatal crashes and fatalities over the 12-month period from 1 April 2010 to 31 March for 2011 in comparison with 2009/10 per Province is reflected in the graph below.



**Figure 5.2**

■ Crashes ■ Fatalities

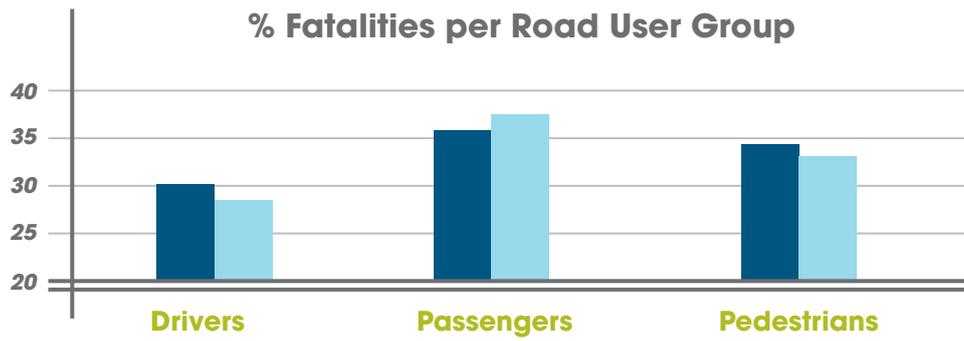
### 5.7.3 Number of Fatalities per Road User Group

The information in the table below shows that driver fatalities decreased by 200 (4,79%) to 3,983; passenger fatalities increased by 170 (3,39%) to 5,205 and pedestrian fatalities decreased by 102 (2,17%) to 4,614 over the 12-month period from 1 March 2010 to 31 March 2011.

<b>Number of Fatalities per road User Group</b>				
<b>User Group</b>	<b>2009 - 10</b>	<b>2010 - 11</b>	<b>Change</b>	<b>% Change</b>
<b>Drivers</b>	4148	3983	-200	-4.79
<b>Passengers</b>	5022	5205	170	3.39
<b>Pedestrians</b>	4717	4614	-102	-2.17
<b>Total</b>	13 923	13 802	-120	-0.86

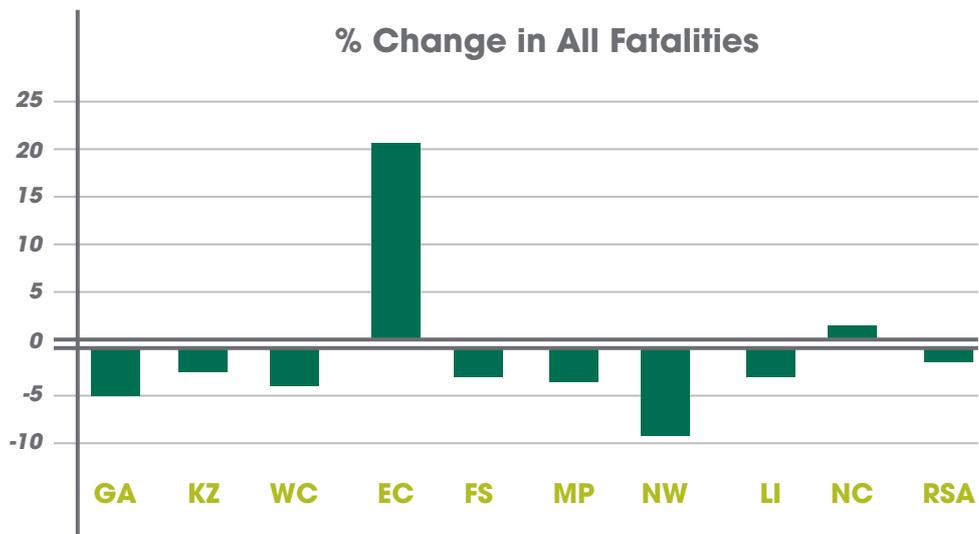
**Table 5.20**

The percentage fatalities per road user group for the two comparative years are reflected in the figure below. During 2009-2010 and 2010-2011 driver fatalities were (30,05% and 28,88%), passengers (36,07% and 37,71%) and pedestrians (33,88% and 33,43% of all fatalities.)



**Figure 5.3**      ■ 2009 -10   ■ 2010 -11

The percentage change in all fatalities per Province are shown below.

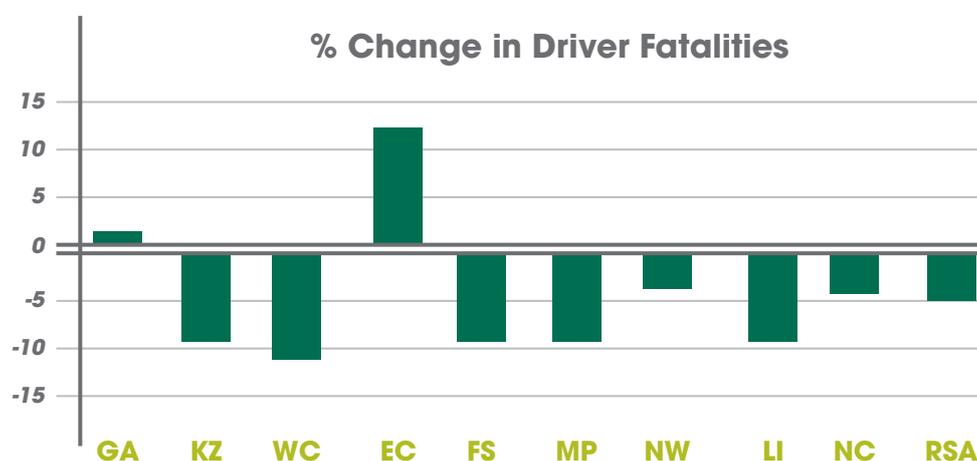


**Figure 5.4**

Number of Fatalities per Road User Group over 12 Month Period											
Year	User Group	GA	KZ	WC	EC	FS	MP	NW	LI	NC	RSA
2009 - 10	Drivers	759	725	410	375	377	583	372	449	133	4184
	Passengers	553	921	401	693	526	636	459	663	170	5022
	Pedestrians	1114	1149	496	449	195	433	373	442	67	4717
	<b>Total</b>	<b>2426</b>	<b>2795</b>	<b>1307</b>	<b>1517</b>	<b>1098</b>	<b>1651</b>	<b>1204</b>	<b>1554</b>	<b>370</b>	<b>13 923</b>
2010 - 11	Drivers	766	658	363	420	343	532	363	409	128	3983
	Passengers	567	922	438	831	491	677	425	668	187	5205
	Pedestrians	985	1161	456	575	240	386	305	445	61	4614
	<b>Total</b>	<b>2318</b>	<b>2741</b>	<b>1258</b>	<b>1827</b>	<b>1074</b>	<b>1594</b>	<b>1093</b>	<b>1522</b>	<b>376</b>	<b>13 802</b>
Change	Drivers	7	-67	-47	45	-34	-51	-9	-40	-5	-200
	Passengers	1	1	38	138	-36	41	-35	5	17	170
	Pedestrians	-129	11	-40	127	45	-47	-68	4	-6	-102
	<b>Total</b>	<b>-108</b>	<b>-54</b>	<b>-49</b>	<b>310</b>	<b>-24</b>	<b>-57</b>	<b>-111</b>	<b>-32</b>	<b>6</b>	<b>-120</b>
% Change	Drivers	0.96	-9.19	-11.42	12.08	-8.90	-8.82	-2.42	-8.96	-4.04	-4.79
	Passengers	0.09	0.12	9.40	19.88	-6.78	6.48	-7.52	0.72	10.17	3.39
	Pedestrians	-11.56	0.99	-8.03	28.27	23.20	-10.87	-18.16	0.81	-9.46	-2.17
	<b>Total</b>	<b>-4.46</b>	<b>-1.93</b>	<b>-3.75</b>	<b>20.43</b>	<b>-2.18</b>	<b>-3.47</b>	<b>-9.23</b>	<b>-2.05</b>	<b>1.49</b>	<b>-0.86</b>

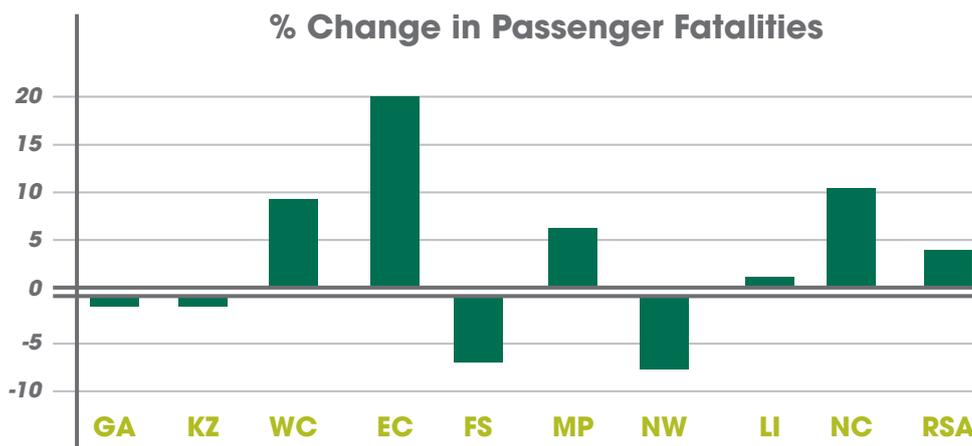
**Table 5.21**

The percentage (%) changes in fatalities per specific road user group from 2009-2010 to 2010-2011 per Province are also reflected in the graphs below.



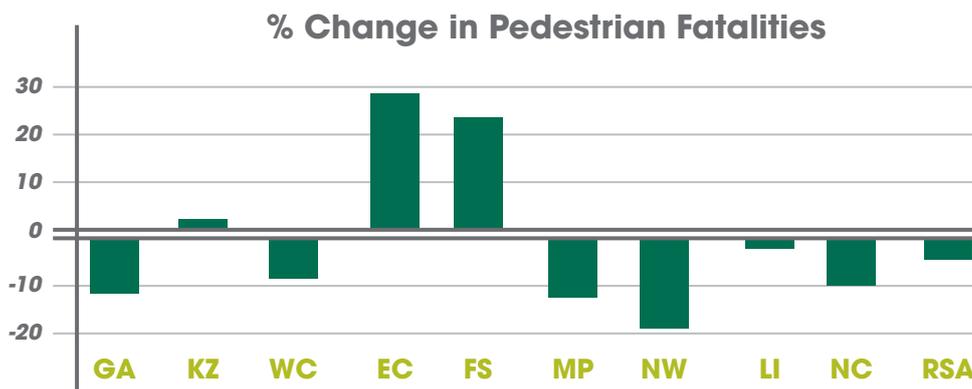
**Figure 5.5**

The information in the graph above shows that the biggest increase in the number of driver fatalities was recorded in Eastern Cape with 12,08%. The biggest decrease in driver fatalities was recorded in the Western Cape (11,42%).



**Figure 5.6**

The information in the graph above shows that the biggest increase in the number of passenger fatalities was recorded in the Eastern Cape with an increase of 19,88%, followed by Northern Cape with an increase of 10,17%. The biggest decrease was recorded in North West with 7,52%.



**Figure 5.7**

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 Eastern Cape with an increase of 28,27% followed by Free State with 23,20%. A decreases of 18,16% was recorded in the North West.

#### 5.7.4 Severity of Fatal Crashes

The severity of fatal crashes stayed the same. The individual provincial severity rates are shown in the table that follows.

Severity of Crashes per Province (Avg No. of Fatalities/Crash)										
Year	GA	KZ	WC	EC	FS	MP	NW	LI	NC	RSA
<b>2009 - 10</b>	1.13	1.26	1.20	1.42	1.44	1.29	1.28	1.32	1.40	1.27
<b>2010 - 11</b>	1.15	1.22	1.23	1.40	1.34	1.35	1.32	1.31	1.33	1.27
<b>Change</b>	0.03	-0.04	0.02	-0.02	-0.10	0.06	0.03	-0.01	-0.07	0.00
<b>% Change</b>	2.44	-3.29	1.78	-1.50	-6.71	4.56	2.67	-0.71	-4.96	0.08

**Table 5.22**

The severity rate per month is given in the table below.

Monthly Crash Severity				
Month	2009 - 10	2010 - 11	Change	% Change
<b>Apr</b>	1.219	1.318	0.099	8.14
<b>May</b>	1.245	1.287	0.041	3.32
<b>Jun</b>	1.187	1.323	0.136	11.45
<b>Jul</b>	1.249	1.354	0.105	8.40
<b>Aug</b>	1.291	1.288	-0.004	-0.29
<b>Sep</b>	1.427	1.288	-0.139	-9.73
<b>Oct</b>	1.269	1.206	-0.063	-4.97
<b>Nov</b>	1.195	1.277	0.032	2.71
<b>Dec</b>	1.278	1.267	-0.011	-0.88
<b>Jan</b>	1.237	1.157	-0.080	-6.43
<b>Feb</b>	1.346	1.274	-0.072	-5.35
<b>Mar</b>	1.340	1.264	-0.076	-5.68
<b>Total</b>	1.272	1.273	0.001	0.08

**Table 5.23**

The table above shows that the three months with exceptionally high severity rates were April 2010, June 2010 and July 2010 with rates of 1,318, 1,323 and 1,354 respectively. The biggest rate increase was recorded in June with an increase of 11,45%, July with 8,40% and June with an increase of 8,14%. (These high rates could be attributed to a large number of high occupancy vehicles, buses and minibuses, involved in fatal crashes).

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

The number of fatal crashes per 10,000 registered motorised vehicles decreased by 0,44 (3,46%) from 12,80 during 2009-10 to 12,36 during 2010 - 2011. Provincial detail in this regard is given in the table and graph below

No. of Fatal Crashes per 10,000 Motorised Vehicles per Province										
Year	GA	KZ	WC	EC	FS	MP	NW	LI	NC	RSA
2009 - 10	6.53	18.52	7.63	18.08	16.65	24.38	20.04	28.32	14.56	12.80
2010 - 11	5.88	18.38	7.11	21.43	17.16	21.45	18.63	26.49	15.15	12.36
Change	-0.65	-0.14	-0.52	3.35	0.51	-2.93	-1.40	-1.83	0.59	-0.44
% Change	-10.00	-0.75	-6.80	18.53	3.07	-12.02	-7.00	-6.46	4.04	-3.46

Table 5.24

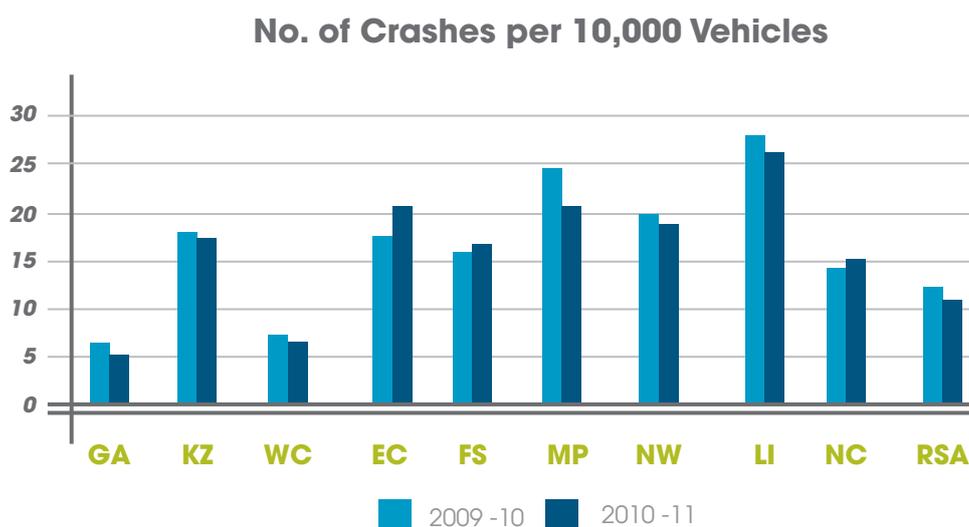


Figure 5.8

With the exception of Gauteng and Western Cape all other Provinces recorded an increase in this regard. On a Provincial percentage basis the biggest increases were recorded as follows:

- Eastern Cape: increase of 3,35 (18,53%) from 12,08 to 21,43;
- Northern Cape: increase of 0,59 (4,04%) from 14,56 to a rate of 15,15.

The number of fatal crashes per 10,000 registered motorised vehicles per month for the two respective years 2009-10 and 2010-11 are shown in the graph below.

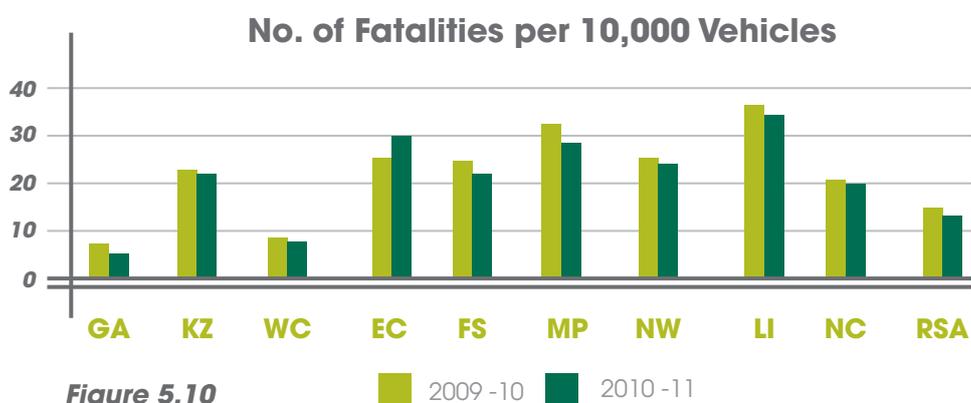


**Figure 5.9**

The number of fatalities per 10,000 registered motorised vehicles decreased by 0,55 (3,38%) from 16,27 during 2009-10 to 15,72 during 2010-11. Provincial detail in this regard is given in the table and graph below.

No. of Fatalities per 10,000 Motorised Vehicles per Province										
Year	GA	KZ	WC	EC	FS	MP	NW	LI	NC	RSA
2009 - 10	7.36	23.36	9.19	25.65	24.00	31.52	25.67	37.27	20.34	16.27
2010 - 11	6.79	22.42	8.72	29.95	23.08	29.00	24.51	34.61	20.11	15.72
Change	-0.57	-0.94	-0.47	4.30	-0.92	-2.53	-1.16	-2.65	-0.23	-0.55
% Change	-7.80	-4.01	-5.14	16.75	-3.85	-8.01	-4.51	-7.12	-1.12	-3.38

**Table 5.25**



**Figure 5.10**

With the exception of Eastern Cape, all other Provinces recorded an decrease in the number of fatalities per 10,000 vehicles. On a Provincial percentage basis the biggest decreases were recorded as follows:

- Mpumalanga: decrease of 2,53 (8,01%) from 31,52 to a rate of 29,00;
- Gauteng: decrease of 0,57 (7,80%) from 7,36 to a rate of 6,79; and
- Limpopo: decrease of 3,23 (1,12%) from 37,27 to a rate of 34,61.

The number of fatalities per 10,000 registered motorised vehicles per month for the two 12-month periods are shown in the graph below.

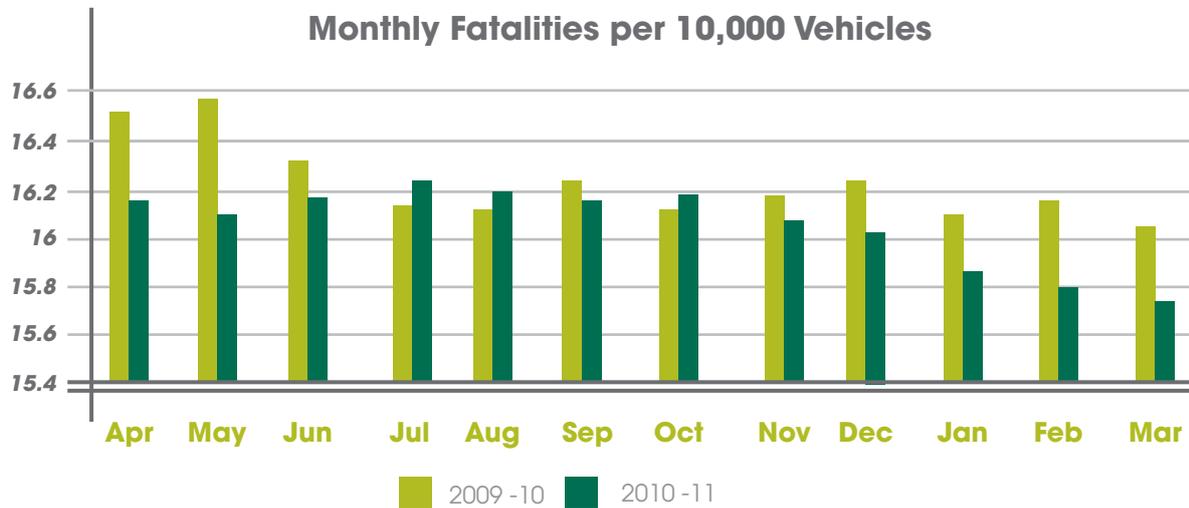


Figure 5.11

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

The number of fatalities per 100,000 human population decreased by 0,62 (2,20%) from 28,13 during 2009-10 to 27,51 during 2010-11. Provincial detail is given in the table below.

No. of Fatalities per 100 000 Human Population										
Year	GA	KZ	WC	EC	FS	MP	NW	LI	NC	RSA
2009 - 10	22.64	26.64	24.59	22.73	38.15	45.75	35.66	29.37	32.62	28.13
2010 - 11	20.55	25.57	24.08	27.00	38.10	44.02	34.37	27.89	34.06	27.51
Change	2.09	-1.07	-0.51	4.28	-0.05	-1.73	-1.29	-1.48	1.44	-0.62
% Change	-9.22	-4.00	-2.07	18.82	-0.14	-3.79	-3.61	-5.03	4.40	-2.20

Table 5.26

With the exception of Eastern Cape and Northern Cape, all other Provinces recorded decreases in this regard. On a Provincial percentage basis the biggest increases were recorded as follows:

- Eastern Cape: an increase of 4,28 (18,82%) from 22,73 to a rate of 27,00;
- Northern Cape: an increase of 1,44 (4, 40%) from 32,62 to a rate of 34,06.

## 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 percentage of fatalities per age group and gender for the year 2010-2011 (only for the cases where this information is available) are given in the table and reflected in the graph below.

<b>% Road User Fatalities per Age and Gender Groups</b>									
<b>Age Group</b>	<b>Driver</b>		<b>Passenger</b>		<b>Pedestrian</b>		<b>Total</b>		<b>Total</b>
	Female	Male	Female	Male	Female	Male	Female	Male	
<b>0 - 4</b>	0.00	0.00	1.65	3.34	2.96	4.37	1.60	2.71	4.31
<b>5 - 9</b>	0.00	0.00	1.26	2.31	3.60	6.00	1.67	2.86	4.53
<b>10 - 14</b>	0.00	0.17	1.97	2.23	1.39	3.26	1.20	1.97	3.17
<b>15 - 19</b>	0.00	2.36	3.22	5.41	1.39	3.33	1.67	3.83	5.50
<b>20 - 24</b>	0.81	9.18	5.27	9.07	1.86	8.02	2.83	8.76	11.59
<b>25 - 29</b>	0.88	14.60	5.50	12.10	1.74	9.72	2.90	12.04	14.94
<b>30 - 34</b>	1.03	13.73	3.70	8.36	1.51	10.57	2.19	10.66	12.85
<b>35 - 39</b>	1.32	11.89	3.38	7.32	1.33	8.09	2.10	8.91	11.01
<b>40 - 44</b>	1.32	11.28	2.59	4.62	1.51	5.81	1.86	6.96	8.82
<b>45 - 49</b>	0.44	8.92	2.36	2.63	1.51	4.57	1.52	5.11	6.63
<b>50 - 54</b>	0.37	8.31	1.81	1.83	0.99	4.37	1.11	4.57	5.68
<b>55 - 59</b>	0.22	5.68	1.97	1.75	0.75	2.67	1.05	3.21	4.26
<b>60 - 64</b>	0.37	3.50	0.63	0.88	0.99	3.07	0.67	2.37	3.04
<b>65 - 69</b>	0.15	0.87	0.71	0.56	0.52	1.30	0.48	0.90	1.38
<b>70 - 74</b>	0.07	0.87	0.39	0.32	0.46	0.85	0.32	0.66	0.98

(Continued)

(Continued)

% Road User Fatalities per Age and Gender Groups									
<b>75 - 79</b>	0.00	0.96	0.39	0.00	0.41	0.26	0.28	0.37	0.65
<b>80 +</b>	0.07	0.61	0.16	0.32	0.29	0.52	0.18	0.47	0.65
<b>Total</b>	7.05	92.95	36.96	63.04	23.21	76.79	23.64	76.36	100.00

Table 5.27

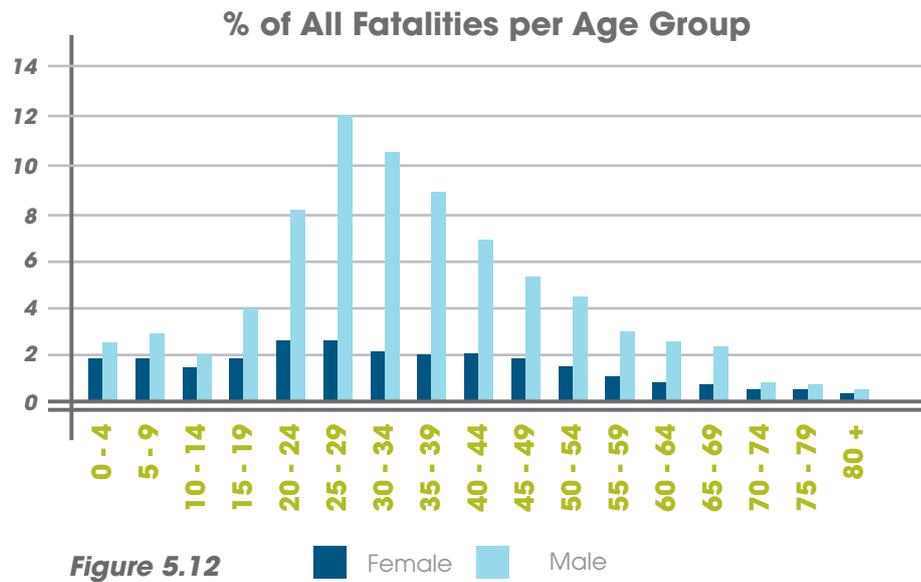
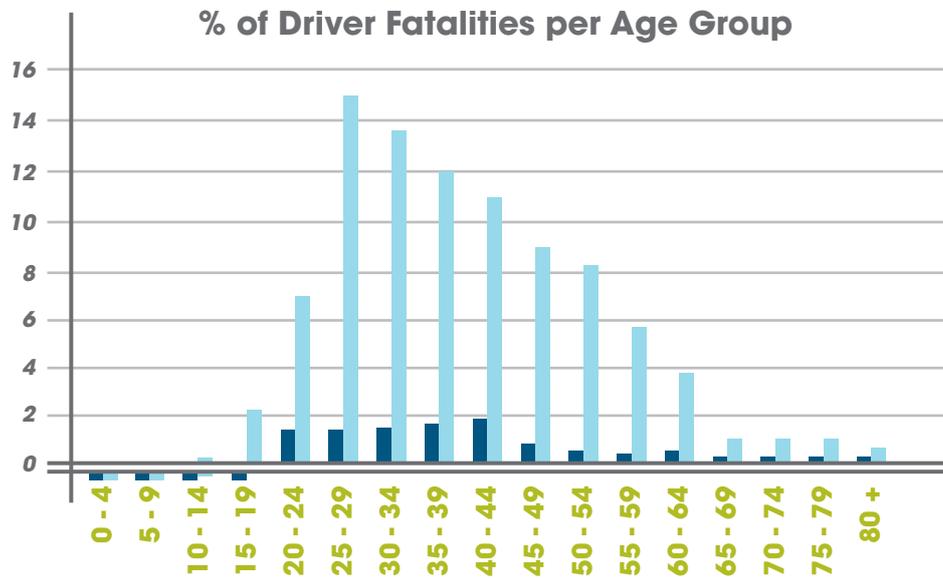


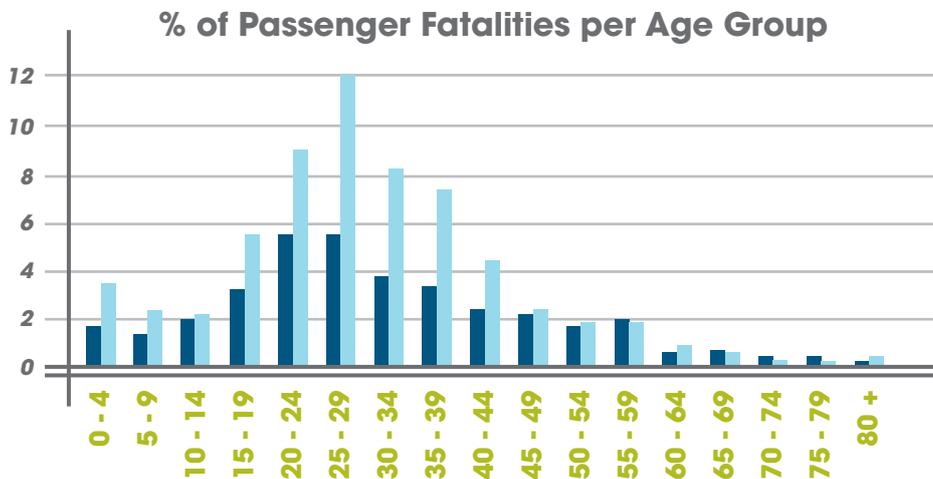
Figure 5.12

The above information shows that 76,36% fatalities during 2010-11 were male and 23,64% female. About 92,95% of all drivers killed in crashes were male and 7,05% female. 76,79% of all pedestrians killed in crashes were male and 23,21% female.

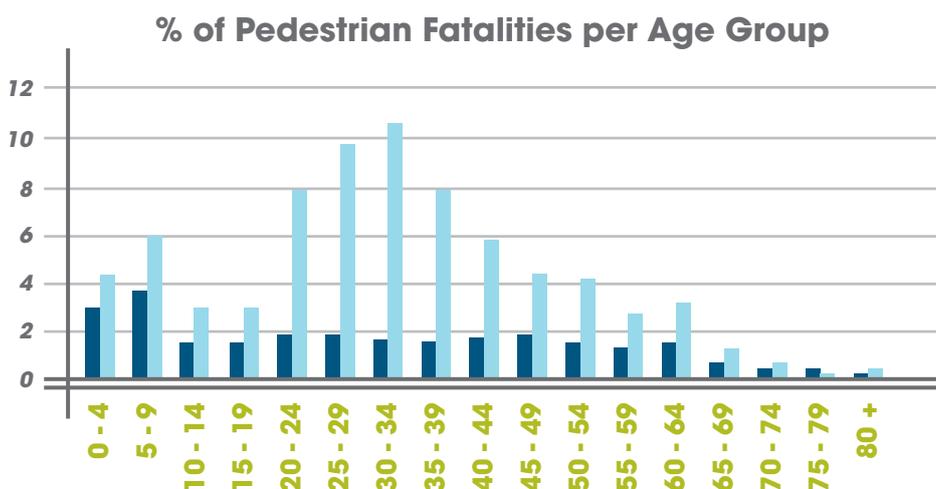
The percentage of fatalities per road user group is reflected in the graphs below.



**Figure 5.13** Female Male



**Figure 5.14** Female Male



**Figure 5.15** Female Male

### 5.7.8 Crashes per Day of Week

The percentage of fatal crashes per day of the week per province during 2010-2011 is given in the table below.

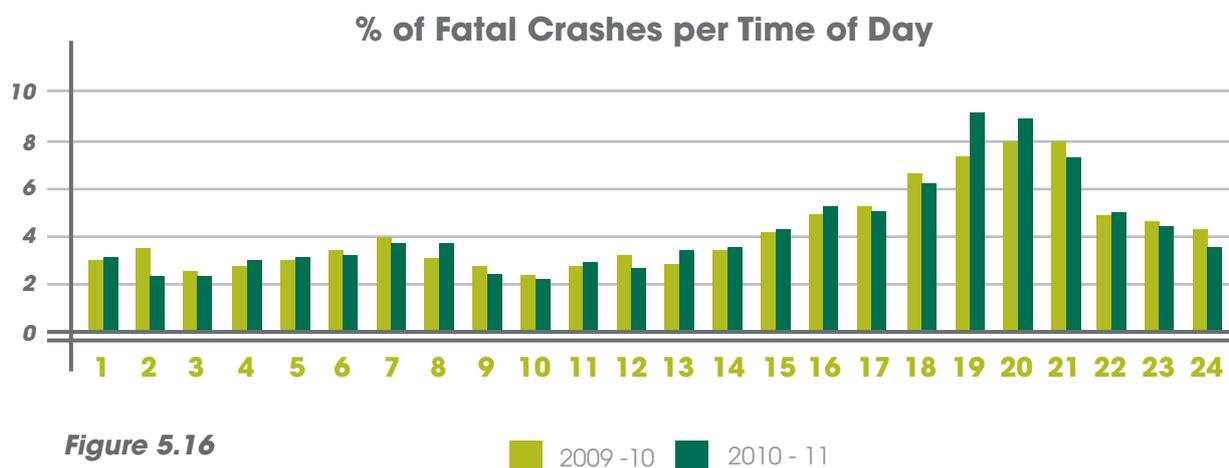
Percentage of Fatal Crashes per Day-of-Week							
Province	Sun	Mon	Tues	Wed	Thurs	Fri	Sat
Gauteng	19.29	11.25	8.60	10.58	9.37	17.53	23.37
KwaZulu Natal	17.30	11.25	9.47	9.54	11.97	16.18	24.28
Western Cape	15.60	9.34	10.23	9.34	10.87	17.77	26.85
Eastern Cape	19.39	9.70	10.27	11.41	8.56	17.49	23.19
Free State	17.60	14.93	6.40	8.00	13.60	15.73	23.73
Mpumalanga	18.42	8.89	9.37	10.50	9.37	17.93	25.53
North West	20.75	8.70	8.50	10.28	8.30	17.98	25.49
Limpopo	18.90	10.69	9.00	7.95	9.78	17.47	26.21
Northern Cape	21.74	15.65	7.83	10.43	9.57	15.65	19.13
<b>Total</b>	<b>18.26</b>	<b>10.66</b>	<b>9.14</b>	<b>9.71</b>	<b>10.36</b>	<b>17.15</b>	<b>24.72</b>

**Table 5.28**

The information above shows that almost (24,72%) of the weekly crashes happen on a Saturday, and 60,13% of all fatal crashes happened over weekends from Friday to Sunday compared to last year with 59,55%.

### 5.7.9 Number of Crashes per Time of Day

The percentage of fatal crashes per time of day during 2009-10 and 2010-11 is reflected in the graph below.



**Figure 5.16**

■ 2009 -10 ■ 2010 - 11

The above information shows the following percentage of crashes for the respective hours of the day during 2010-2011:

- From 06:00 to 12:00 : 20,38%;
- From 12:00 to 18:00 : 27,89%;
- From 18:00 to 24:00 : 38,19%;
- From 24:00 to 06:00: 13,54%

About 38,19% of the daily crashes happened between 18:00 in the evening and midnight (24:00). About 60,87% of the daily crashes happened generally during hours of darkness, between 18:00 in the evening and 06:00 the next morning.

### 5.7.10 Vehicles involved in Fatal Crashes

The information in the table below shows that:

- The number of all types of vehicles involved in fatal crashes increased by 197 (1,37%) from 14,372 in 2009 - 2010 to 14,568 in 2010 - 2011; and
- The number of motorised vehicles involved in fatal crashes increased by 220 (1,56%) from 14,119 in 2009 - 2010 to 14,339 in 2010 - 2011; and
- The number of bicycles involved in fatal crashes decreased by 30 (12,03%) from 252 to 222.

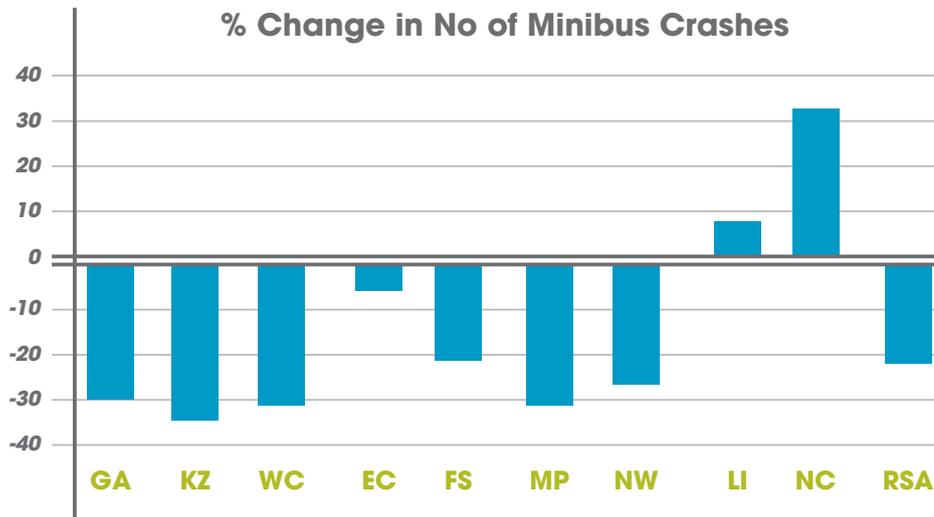
<b>Number of Vehicles Involved in Fatal Crashes</b>				
<b>Vehicle Type</b>	<b>2009 - 10</b>	<b>2010 - 11</b>	<b>Change</b>	<b>% Change</b>
<b>Motorcars</b>	6872	6649	-223	-3.25
<b>Minibuses</b>	1225	1003	-222	-18.09
<b>Minibus Taxis</b>	602	405	-197	-32.79
<b>Buses</b>	392	292	-100	-25.52
<b>Motorcycles</b>	314	309	-5	-1.50
<b>LDV's - Bakkies</b>	2814	2803	-12	-0.41
<b>Trucks - Rigid</b>	197	305	108	54.87
<b>Trucks - Articulated</b>	534	1226	692	129.44
<b>Other &amp; Unknown</b>	1169	1348	178	15.24
<b>Total Motorised</b>	<b>14 119</b>	<b>14 339</b>	<b>220</b>	<b>1.56</b>
<b>Bicycle</b>	252	222	-30	-12.03
<b>Animal Drawn</b>	0	7	7	
<b>Total</b>	<b>14 372</b>	<b>14 568</b>	<b>197</b>	<b>1.37</b>

**Table 5.29**

The number of minibuses involved in fatal crashes per province and the % change reflected in the graph below.

<b>Number of Minibuses Involved in Fatal Crashes per Province</b>										
<b>Year</b>	<b>GA</b>	<b>KZ</b>	<b>WC</b>	<b>EC</b>	<b>FS</b>	<b>MP</b>	<b>NW</b>	<b>LI</b>	<b>NC</b>	<b>RSA</b>
<b>2009 - 10</b>	255	562	151	228	108	213	137	163	11	1827
<b>2010 - 11</b>	180	381	104	218	86	147	100	176	15	1408
<b>Change</b>	-74	-182	-46	-10	-22	-65	-37	14	4	-419
<b>% Change</b>	-29.22	-32.33	-30.64	-4.25	-20.34	-30.74	-26.84	8.41	33.03	-22.93

**Table 5.30**



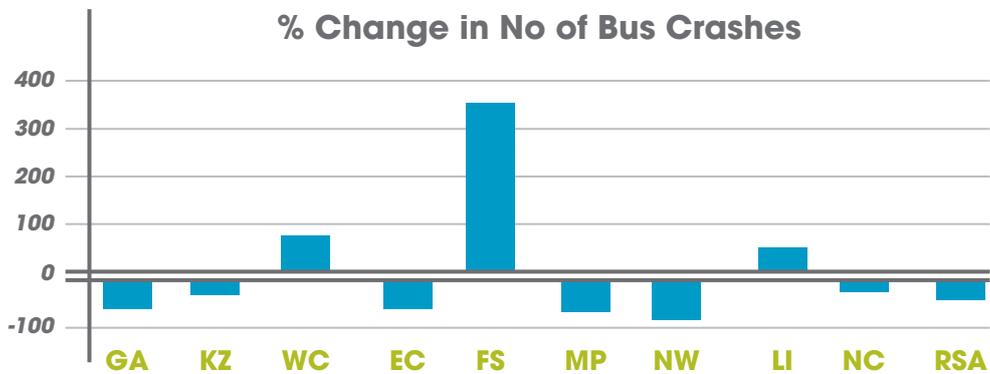
**Figure 5.17**

The information above shows that the number of minibuses involved in fatal crashes decreased by 419 (22,93%) from 1,827 in 2009-10 to 1,408 in 2010-11. With the exception of Limpopo and Northern Cape, all other provinces recorded a decrease in this regard. On a percentage basis the biggest increase was recorded in Northern Cape where the number of minibuses increased by 4 (33,03%) from 11 to 15 in 2010, followed by Limpopo with an increase of 8,41%.

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

Number of Buses Involved in Fatal Crashes per Province										
Year	GA	KZ	WC	EC	FS	MP	NW	LI	NC	RSA
2009 - 10	31	78	25	57	3	146	24	25	2	392
2010 - 11	23	67	41	41	15	61	5	36	2	292
Change	-8	-11	16	-17	12	-84	-18	11	0	-100
% Change	-26.75	-14.30	63.11	-29.07	363.88	-57.95	-77.60	44.40	-4.98	-25.52

**Table 5.31**



**Figure 5.18**

The information above shows that the number of buses involved in fatal crashes decreased by 100 (25,52%) from 392 in 2009-10 to 292 in 2010-11. With the exception of Western Cape, Eastern Cape, Free State and Limpopo, all other provinces show a decrease in this regard.

On a percentage basis the biggest increase was recorded in the Free State with an increase of 363,88% followed by Western Cape where the number of bus crashes increased by 16 (63,11%) from 25 in 2009-10 to 41 in 2010-11.

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

<b>Number of LDV's Involved in Fatal Crashes per Province</b>										
<b>Year</b>	<b>GA</b>	<b>KZ</b>	<b>WC</b>	<b>EC</b>	<b>FS</b>	<b>MP</b>	<b>NW</b>	<b>LI</b>	<b>NC</b>	<b>RSA</b>
<b>2009 - 10</b>	284	562	223	333	179	455	255	393	129	2814
<b>2010 - 11</b>	242	623	246	304	175	476	268	358	110	2803
<b>Change</b>	-43	61	23	-28	-5	21	13	-35	-19	-12
<b>% Change</b>	-15.02	10.86	10.23	-8.53	-2.54	4.72	4.93	-8.89	-14.64	-0.41

**Table 5.32**

The information above shows that the number of LDVs involved in fatal crashes decreased by 12 (0,41%) from 2,814 in 2009-10 to 2,803 in 2010-11. Four provinces show an increase, while decreases were recorded in five provinces. On a percentage basis the biggest increase was recorded in the Kwa-Zulu Natal with an increase of 61 (10,86%) where the number of LDV crashes increased from 565 in 2009-10 to 623 in 2010-11.

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

<b>Number of Trucks Involved in Fatal Crashes per Province</b>										
<b>Year</b>	<b>GA</b>	<b>KZ</b>	<b>WC</b>	<b>EC</b>	<b>FS</b>	<b>MP</b>	<b>NW</b>	<b>LI</b>	<b>NC</b>	<b>RSA</b>
<b>2009 - 10</b>	61	143	80	93	47	184	45	65	13	732
<b>2010 - 11</b>	142	459	132	134	134	270	104	137	19	1531
<b>Change</b>	81	316	52	41	87	86	59	72	6	800
<b>% Change</b>	134.06	220.53	64.74	44.18	184.37	46.90	130.80	110.14	42.54	109.34

**Table 5.33**

The information above shows that the number of trucks involved in fatal crashes increased by 800 (109,34%) from 732 in 2008-09 to 1,531 in 2010-11. All provinces recorded an increase in this regard. On a percentage basis the biggest increase was recorded in Kwa-Zulu Natal with an increase of 316 (220,53%) where the number of trucks increased from 143 in 2009-10 to 459 in 2010-11.

The number of vehicles involved in fatal crashes per 10,000 registered vehicles per type of vehicle, is shown in the table below. The general rate decreased by 0,92% from 17,16 to 17,00.

<b>Number of Vehicles in Fatal Crashes / 10.000 Registered</b>				
<b>Vehicle Type</b>	<b>2009 - 10</b>	<b>2010 - 11</b>	<b>Change</b>	<b>% Change</b>
<b>Motorcars</b>	13.18	12.51	-0.67	-5.10
<b>Minibuses</b>	65.58	49.95	-15.64	-23.84
<b>Buses</b>	96.24	67.15	-29.09	-30.23
<b>Motorcycles</b>	9.93	9.18	-0.74	7.47
<b>LDV's - Bakkies</b>	15.20	14.65	-0.54	-3.57
<b>Trucks</b>	23.77	47.95	24.18	101.76
<b>All Vehicles</b>	17.16	17.00	-0.16	-0.92

**Table 5.34**

The information above shows that, with the exception of trucks, decreases were recorded for all other types of vehicles. The rate in this regard for trucks increased by 24 (101,76%) from 23,77 to 47,95 trucks in fatal crashes per 10,000 registered.

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

The number of fatalities per type of vehicle during 2009-10 and 2010-11 are given in the table below.

<b>Number of Fatalities per Type of Vehicle</b>				
<b>Vehicle Type</b>	<b>2009 - 10</b>	<b>2010 - 11</b>	<b>Change</b>	<b>% Change</b>
<b>Motorcars</b>	6729	6485	-245	-3.63
<b>Minibuses</b>	1188	1311	123	10.39
<b>Minibus Taxis</b>	565	484	-81	-14.40
<b>Buses</b>	343	285	-58	-16.89
<b>Motorcycles</b>	311	314	3	1.12
<b>LDV's - Bakkies</b>	2740	2706	-33	-1.22

*(Continued)*

Number of Fatalities per Type of Vehicle				
Trucks - Rigid	206	197	-9	-4.46
Trucks - Articulated	477	665	187	39.25
Other & Unknown	1109	1112	3	0.25
<b>Total Motorised</b>	<b>13 669</b>	<b>13 559</b>	<b>-109</b>	<b>-0.80</b>
Bicycle	254	216	-38	-14.87
Animal Drawn	0	27	27	
<b>Total</b>	<b>13 923</b>	<b>13 802</b>	<b>-120</b>	<b>-0.86</b>

**Table 5.35**

Amongst others, the information in the table above shows that, with the exception of minibuses, motorcycles and articulated trucks, fatalities for all the other types of vehicles decreased. The recorded increases are briefly summarised as follows:

- Trucks-articulated : fatalities increased by 187 (39,25%) from 477 to 665; and
- Minibuses: fatalities increased by 123 (10,39%) from 1188 to 1311.

Some decreases were recorded as follows:

- Buses: decrease of 58 (16,89%) from 343 to 285
- Bicycle: decrease of 38 (14,87%) from 254 to 216; and
- Minibus Taxis: decrease of 81 (14,40%) from 565 to 484

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

Number of Driver Fatalities per Vehicle Type				
Vehicle Type	2009 - 10	2010 - 11	Change	% Change
Motorcars	2344	2099	-246	-10.48
Minibuses	241	247	6	2.59
Buses	20	27	7	35.70
Motorcycles	276	261	-16	-5.66
LDV's - Bakkies	803	790	-12	-1.54
Trucks	160	233	74	46.21
Other & Unknown	90	89	-2	-2.00
<b>Other &amp; Unknown</b>	<b>3935</b>	<b>3746</b>	<b>-188</b>	<b>-4.79</b>

**Table 5.36**

Number of Passenger Fatalities per Vehicle Type				
Vehicle Type	2009 - 10	2010 - 11	Change	% Change
Motorcars	2381	2371	-9	-0.38
Minibuses	978	1015	37	3.81
Buses	212	150	-62	-29.44
Motorcycles	18	27	9	49.58
LDV's - Bakkies	1104	1222	118	10.73
Trucks	219	299	80	36.41
Other & Unknown	106	115	10	9.28
<b>Other &amp; Unknown</b>	<b>5017</b>	<b>5200</b>	<b>183</b>	<b>3.64</b>

**Table 5.37**

Number of Pedestrian Fatalities per Vehicle Type				
Vehicle Type	2009 - 10	2010 - 11	Change	% Change
Motorcars	2005	2015	10	0.50
Minibuses	533	532	-2	-0.28
Buses	112	109	-3	-2.29
Motorcycles	16	26	10	62.18
LDV's - Bakkies	833	694	-139	-16.72
Trucks	304	329	25	8.07
Other & Unknown	913	908	-5	-0.57
<b>Other &amp; Unknown</b>	<b>4717</b>	<b>4613</b>	<b>-104</b>	<b>-2.20</b>

**Table 5.38**

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 Minibus Passenger Fatalities per Province										
Year	GA	KZ	WC	EC	FS	MP	NW	LI	NC	RSA
2009 - 10	115	267	73	144	102	90	89	90	7	978
2010 - 11	88	227	110	132	109	173	44	118	14	1015
Change	-27	-40	37	-12	7	83	-44	28	7	37
% Change	-23.67	-15.12	50.42	-8.32	7.03	91.57	-50.16	31.47	93.14	3.81

Table 5.39

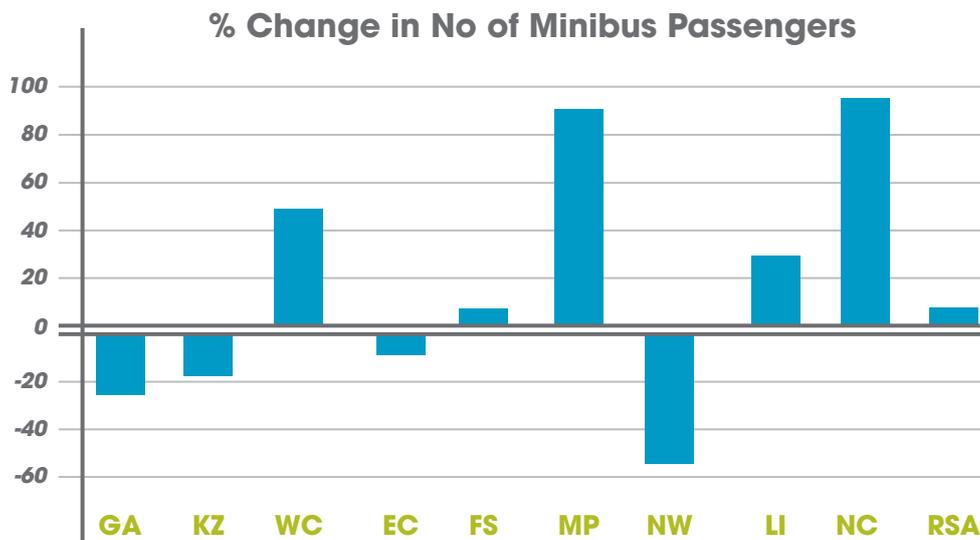


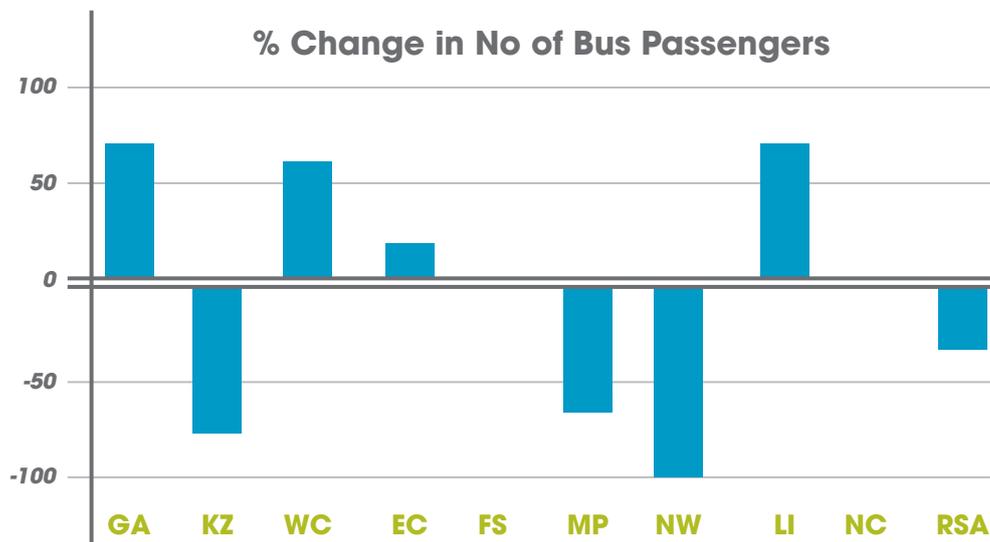
Figure 5.19

The information above shows that the number of minibus passenger fatalities increased by 37 (3,81%) from 978 in 2009-10 to 1015 in 2010-11. Four provinces recorded decreases and five provinces show increases in this regard. The biggest increase was recorded in the Northern Cape where the number of passenger fatalities increased by 7 (93,14%) from 7 to 14 in 2010-11. The biggest decrease of 50,16% was recorded in North West.

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

Number of Bus Passenger Fatalities per Province										
Year	GA	KZ	WC	EC	FS	MP	NW	LI	NC	RSA
2009 - 10	13	43	10	37	0	78	18	13	0	212
2010 - 11	21	13	17	45	6	25	0	22	0	150
Change	9	-31	6	8	6	-52	-18	9	0	-62
% Change	69.43	-70.76	61.99	21.37		-67.45	-100.00	71.79		-29.44

Table 5.40



**Figure 5.20**

The information above shows that the number of bus passenger fatalities decreased by 62 (29,44%) from 212 in 2009-10 to 150 in 2010-11. Four provinces recorded increases in this regard. The biggest increase was recorded in Limpopo where the number of bus passenger fatalities increased by 9 (71,79%) from 13 in 2009-10 to 22 in 2010-11. In North West the number of bus passenger fatalities decreased by 100%.

The number of passenger fatalities in LDV (bakkie) related fatal crashes are given in the table below.

Number of LDV Passenger Fatalities per Province										
Year	GA	KZ	WC	EC	FS	MP	NW	LI	NC	RSA
2009 - 10	68	217	66	149	118	113	117	185	72	1104
2010 - 11	83	221	81	214	120	148	107	170	78	1222
Change	15	4	15	66	2	35	-10	-15	7	118
% Change	22.59	1.61	22.77	44.12	1.70	31.33	-8.38	-8.25	9.45	10.73

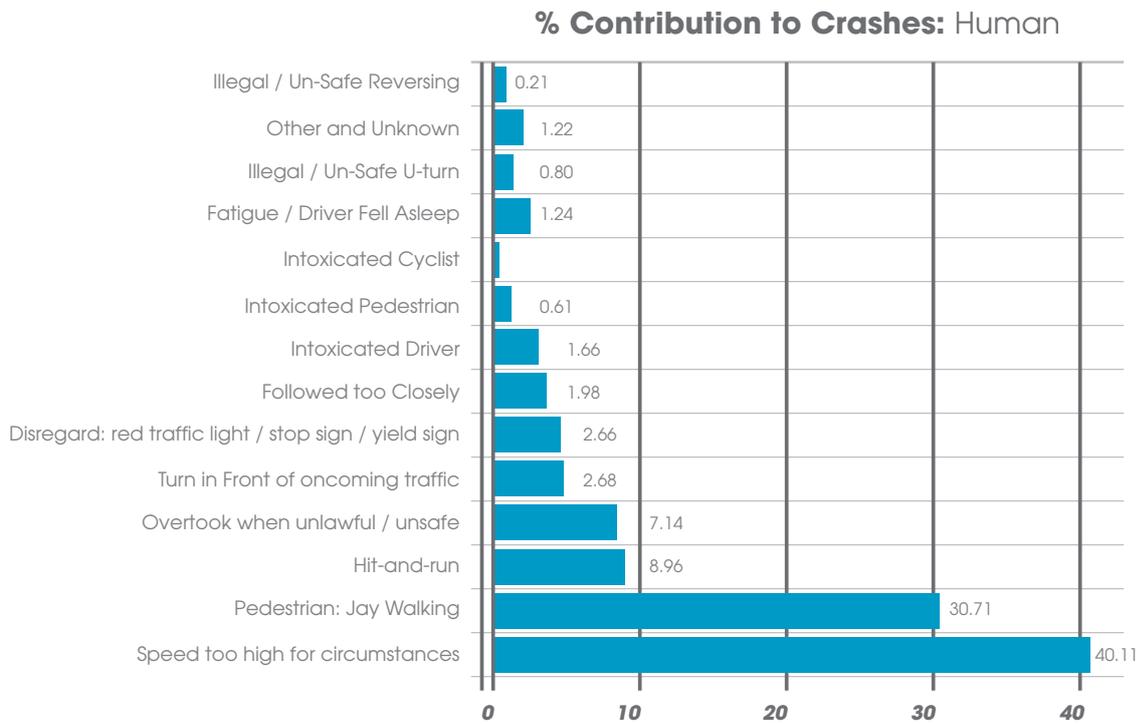
**Table 5.41**

The information above shows that the number of LDV (bakkie) passenger fatalities increased by 118 (10,73%) from 1,104 in 2009-10 to 1,222 in 2010-11. With the exception of North West and Limpopo where a decrease was recorded, all other provinces recorded increase in this regard. On a provincial percentage basis, the biggest increase was recorded in Eastern Cape where the number of LDV passenger fatalities increased by 66 (44,12%) from 149 in 2009-10 to 214 in 2010-11. In North West and Limpopo the number of LDV passenger fatalities decreased by 8,38 and 8,25 respectively.

## 5.7.12. Contributory Factors

### 5.7.12.1 Human Factors in Fatal Crashes

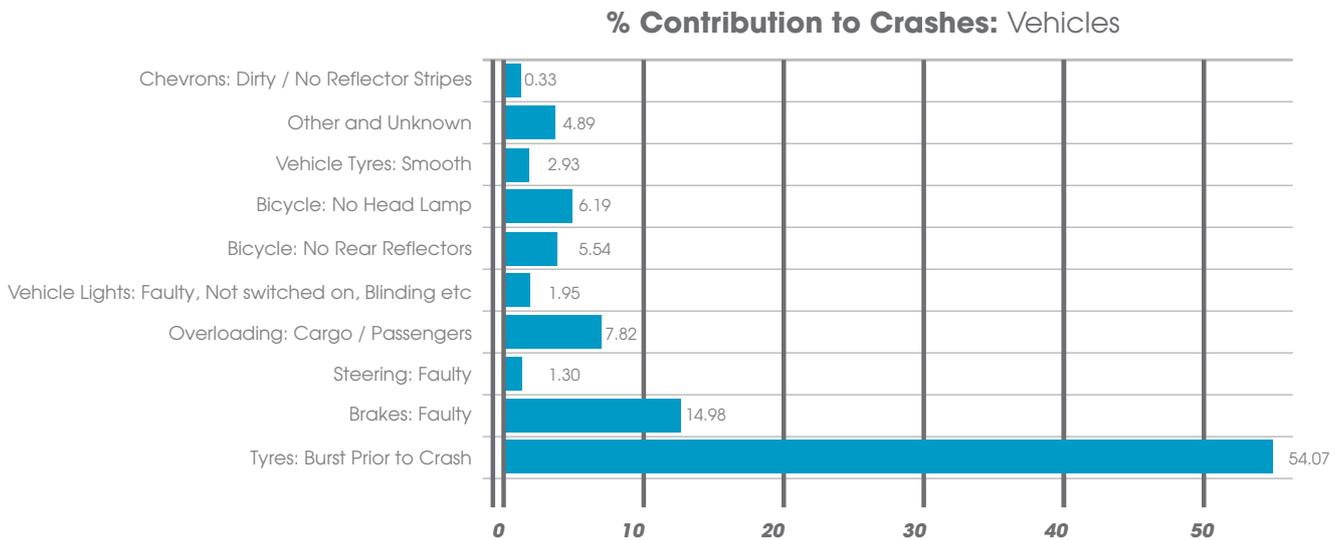
The figure below shows that pedestrian jay-walking and speed are the human factors that contribute the most towards the occurrence of fatal crashes. Speeding contributed 40.11% compared to 36,77% for the previous year, followed by Pedestrian: jay walking with 30.71% during 2010/2011.



**Figure 5.21**

#### 5.7.12.2 Vehicle Factors in Fatal Crashes

Tyre burst was the highest compared to other factors with a contribution of 54.07%, compared to 45.85% for the previous year followed by brakes faulty with a contribution of 14.98%. The information below shows that there are more vehicles on the roads that are not roadworthy and are allowed to drive on South African roads despite the high number of crashes and fatalities.



**Figure 5.22**

#### 5.7.12.3 Road Factors in Fatal Crashes

The information below shows that poor condition of road surface contributed 28,14% to fatal crashes compared to 23,03% last year, and sharp bends contributed 22,89%.

### % Contribution to Crashes: Roads

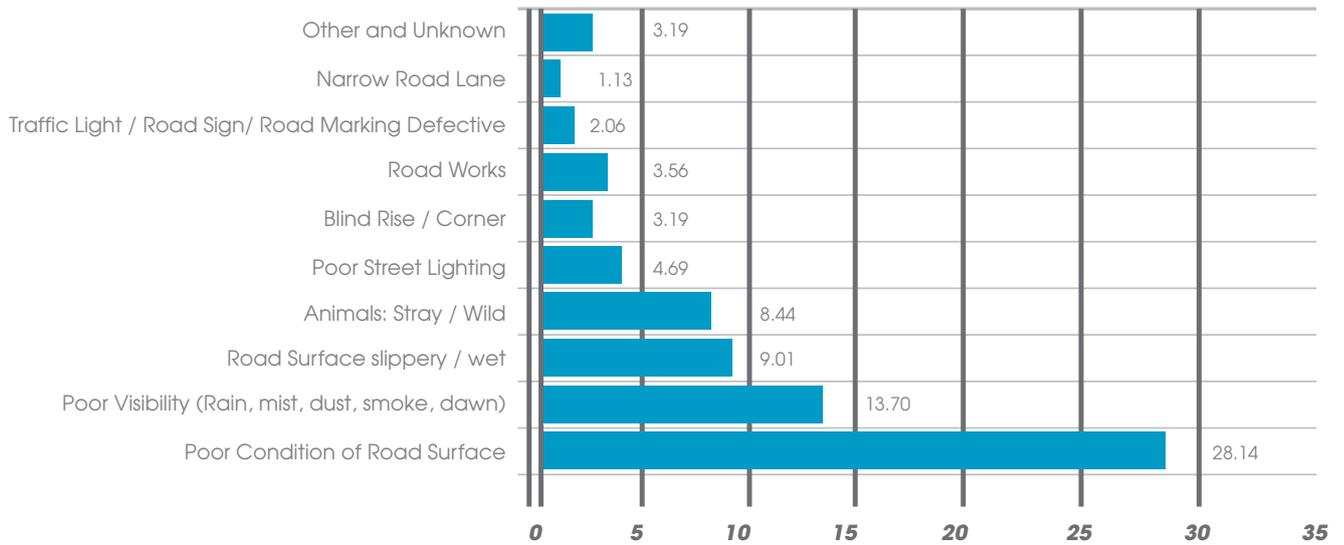


Figure 5.23

## 5.8. Major Accidents Investigated



### Luchas Steenkamp

Manager:  
Crash Investigation & Incident  
Management System

### 5.8.1 Number of major crashes

The information below shows that there were one hundred and eight teen (118) major crashes investigated by the Corporation. The major crashes we refer to are the ones that meet the following criteria:

- a. Accidents in which five (5) or more persons are killed;
- b. Fatal accidents in which four (4) or more vehicles are involved;
- c. Fatal accidents in which vehicles carrying hazardous substances are involved; or
- d. Any high profile accident that the Corporation feels is necessary to investigate.

July, September and December 2010 had the most crashes accounting for 39 followed by April with 12 and June with 11.

Number and Percentage Contribution of Major Crashes per month: 2010/11

Month	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
2009/10	5	6	10	12	11	18	9	11	15	6	5	19	127
2010/11	12	4	11	13	8	13	9	9	13	7	9	10	118
Change	1	-2	1	1	-3	-5	0	-2	-2	1	4	-9	-9
% Change	140.00	-33.3	10.0	8.3	-27.3	-27.8	0.0	-18.2	-13.3	16.7	80.0	-47.4	-7.1

Table 5.42

The table on the previous page shows that the months with more major crashes above 10 are June, July, August, September, December and March. With the exception of April, June, July, October, January and February, all other months recorded a decrease in this regard. A decrease of 7.1% was recorded on a national level. The months with the highest increases were April and February.

### Number of Major Accidents Investigated per Month (1 April 2010 - 31 March 2011)

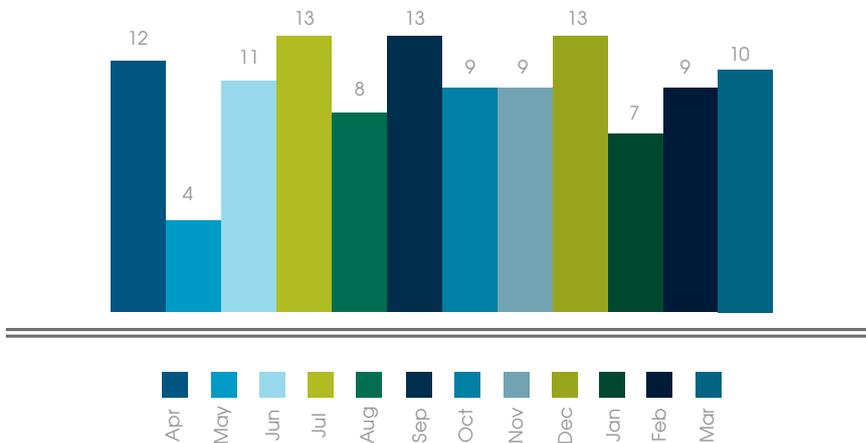


Figure 5.24



#### Ndengeza Masangu

Senior Manager:  
Research and Development

### 5.9. Results of the 2010 Road Traffic Offence Survey

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 disc;
- Pedestrian compliance; and
- Presence of traffic officers, pedestrians, cyclists and animals on the roads.

Information obtained from the traffic offence 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 2010 on a national level, in comparison with those of 2009, is given in the table below:

<b>Summary of 2009 - 2010 Offence Indices</b>					
<b>Offence Type</b>	<b>Description</b>	<b>2009</b>	<b>2010</b>	<b>Change</b>	<b>% Change</b>
<b>Speed Offences</b>	Urban areas all vehicle types	6.30	5.6	-0.7	-11.1%
	Rural areas all vehicle types	7.9	5.6	-2.3	-29.1%
<b>Alcohol Offences</b>	Day-time all vehicle types	1.26	0.68	-1.1	-87.3%
	Night-time all vehicle types	2.40	2.34	-0.1	-4.2%
<b>Seatbelt Offences</b>	Drivers	3.9	4.5	0.6	15.4%
	Passengers	4.5	5.0	0.5	11.1%
<b>Traffic Signal Offences</b>	Day-time all vehicle types	24.6	12.3	-12.3	-50%
	Night-time all vehicle types	19.6	11.8	-7.8	-39.8%
<b>No Driving License</b>	All Vehicles	1.5	0.8	-0.7	-46.7%

*(Continued)*

(Continued)

<b>No PrPD</b>	Minibus taxis, buses, trucks	2.0	0.8	-1.2	-60%
<b>Tyre Offences</b>	Worn and damaged tyres	6.9	5.6	-1.3	-18.8%
<b>Vehicle Light Offences</b>	Head-lights	1.1	1.0	-0.1	-9.1%
	Tail-lights	0.6	0.5	-0.1	-16.7%
	Brake-lights	2.3	4.2	1.9	82.6%
<b>Number Plate</b>	No Plate and disk correlation	0.2	0.3	0.1	-50%
<b>Combined Index</b>		5.6	4.2	-1.4	-25%

**Table 5.43**

The information in the table above shows that, on a national level, the overall offence index has decreased by 25% from an index of 5.6 in 2009 to an index of 4.2 in 2010.

An increase of 15.4%, 11.1% and 82.6% was observed for seatbelt drivers, front passengers and brake lights from 2009 to 2010 respectively. Although a decrease has been observed in other offences, these indices are still very high and very far from reaching the desired maximum offence rate of 5%.

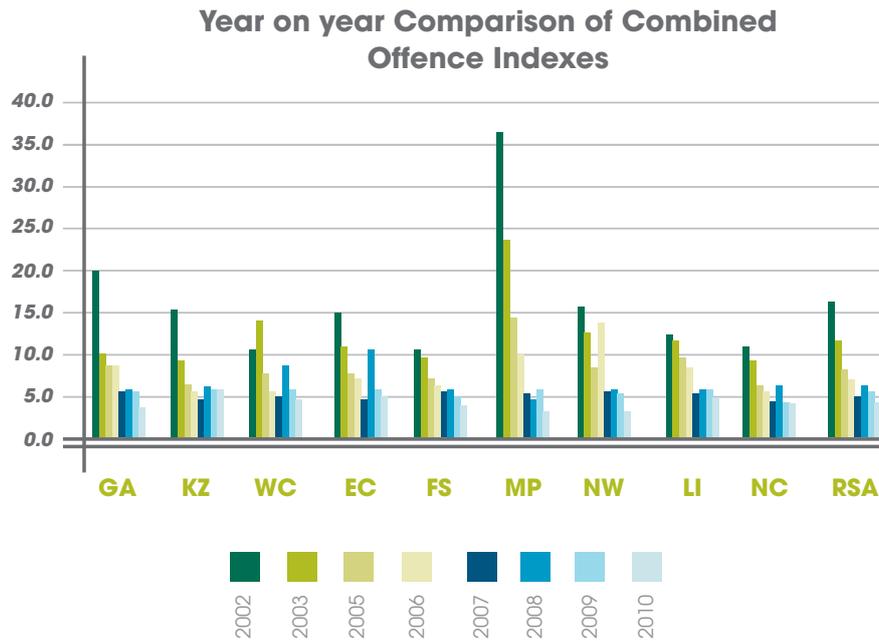
The findings of these annual offence surveys assist prioritisation of law enforcement interventions. For instance the 2010 offence survey established that the most important offences to focus on, as identified in the study, are amongst seatbelt drivers, front passengers and brake lights.

## Provincial Road Traffic Offence Indices

The combined indexes are shown below. The indexes represent the levels of lawlessness (or traffic offence levels) on South African roads.

Combined Offence Indexes										
	GA	KZ	WC	EC	FS	MP	NW	LI	NC	RSA
<b>2002</b>	20.0	16.5	11.3	14.9	10.7	36.6	15.6	12.2	11.6	16.7
<b>2003</b>	10.3	9.2	14.0	11.0	9.5	23.7	12.4	11.6	9.1	11.4
<b>2005</b>	8.2	6.4	7.9	8.2	7.8	14.3	8.2	9.6	6.6	8.4
<b>2006</b>	8.2	5.4	5.5	7.7	7.5	10.1	13.7	8.6	6.0	7.7
<b>2007</b>	5.8	4.7	5.2	4.3	6.3	5.2	5.1	5.1	4.5	5.3
<b>2008</b>	6.1	7.0	8.5	10.3	6.9	4.3	5.4	5.6	6.4	6.8
<b>2009</b>	5.8	6.0	5.0	5.9	5.0	6.2	5.1	5.7	4.3	5.6
<b>2010</b>	3.3	5.9	4.6	5.0	4.1	3.6	3.6	4.8	4.3	4.2

**Table 5.44**



**Figure 5.25**

All other Provinces show a decrease between their 2009 and 2010 offence indices, except for the Northern Cape, which remained constant on 4.3. Mpumalanga shows the highest offence index for 2009. Northern Cape shows the lowest offence index for 2010.

The following changes were observed in the SA averages for the different offences used to calculate the overall offence index:

- The urban speed offence index decreased from 6.3 to 5.6.
- The rural speed offence index decreased from 7.9 to 5.6.
- The night time alcohol offence index decreased from 2.4 to 2.3.
- The unobserved seatbelt offence index for drivers decreased from 1.5 to 0.8.
- The unobserved seatbelt offence index for front passengers increased from 4.5 to 5.0.
- The day time traffic signal offence index decreased from 24.7 to 12.3.
- The day time barrier line offence index decreased from 16.1 to 10.3.
- The driver's license offence index decreased from 1.5 to 0.8.
- The PDRP offence index decreased from 2.0 to 0.8.
- The worn tyres offence index decreased from 6.8 to 5.6.
- The front bright light offence index decreased from 1.1 to 1.0.
- The tail light offence index decreased from 0.6 to 0.5.
- The brake light offence index increased from 2.3 to 4.2.

The overall offence index has decreased from 5.6 to 4.2.

#### **Correlation between fatal crashes statistics and traffic offence rates**

Information on the comparison between fatal crashes and road traffic offences for the years 2009 and 2010 is given in the table below and the % change is reflected in the table that follows.

Comparison Between Fatal Crashes and Traffic Offence Indices										
	GA	KZ	WC	EC	FS	MP	NW	LI	NC	RSA
<b>2009</b>	2440	2994	1448	1471	849	2155	1173	1500	342	14372
<b>2010</b>	2153	2216	1085	1069	762	1277	940	1181	265	10948
<b>Change</b>	-287	-778	-363	-402	-87	-878	-233	-319	-77	-3424
<b>% Change</b>	-11.76%	-26%	-25.1%	-27%	-10.24%	-40.7%	-19.9%	-21.3%	-22.5%	-23.8%
Combined Offence Index										
<b>2009</b>	5.8	6	5	5.9	5	6.2	5.1	5.7	4.3	5.6
<b>2010</b>	3.3	5.9	4.6	5	4.1	3.6	3.6	4.8	4.3	4.2
<b>Change</b>	-2.5	-0.1	-0.4	-0.9	-0.9	-2.6	-1.5	-0.9	0	-1.4
<b>% Change</b>	43.1%	-1.7%	-8.0%	-15.3%	-18.0%	-41.9%	-29.4%	-15.8%	0.0%	-25.0%

**Table 5.45**

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

- National level : offence index decreased by 25.0% and fatal crashes decreased by 23.8%
- Gauteng : offence index decreased by 43.1% and fatal crashes decreased by 11.76%
- KwaZulu-Natal : offence index decreased by 1.7% and fatal crashes decreased by 26%
- Western Cape : offence index decreased by 8.0% and fatal crashes decreased by 25.1%
- Eastern Cape : offence index decreased by 15.3% and fatal crashes decreased by 27%
- Free State : offence index decreased by 18.0% and fatal crashes decreased by 10.24%
- Mpumalanga : offence index decreased by 41.9% and fatal crashes decreased by 40.7%
- North West : offence index decreased by 29.4% and fatal crashes decreased by 19.9%
- Limpopo : offence index decreased by 15.8% and fatal crashes decreased by 21.3%;

## Recommendations

The most important offences to focus on, as identified in the study, 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 2.3. 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 10.3.
- 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 5.6. 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.
- Speeding. High levels of speeding offences were observed. The national rural speed index for 2010 remains very high on 5.6. Speed discipline must be restored on South African roads and community leaders on all levels should set an example.



*Section 6*

Highlights of Achievements

“The National Rolling Enforcement Plan was launched during the year under review.”

## SECTION 6



**Ashref Ismail**

Senior Manager  
Enforcement Co-ordination

### 6. HIGHLIGHTS OF ACHIEVEMENTS

#### 6.1. Enforcement Co-ordination

The Unit Enforcement Co-ordination held four Law Enforcement Technical Committee meetings that included national, provincial and municipal authorities together with the SAPS, Cross Border Road Transport Agency (CBRTA) and the Military Police. These meetings resulted amongst others, in the development of the revised National Rolling Enforcement Plan (NREP) that was launched by the National Minister of Transport, Mr. Sibusiso Ndebele on 10 September 2010.

The key objective of this revised plan was to stop and screen 1 million vehicles per month nationally. Monthly press releases on the performance of this plan were generated and disseminated to various electronic and print media.

From October 2010 to March 2011, NREP yielded the following results.

**Number of vehicles stopped and screened from Oct 2010 to March 2011: 7 734 766**

No	Authority	Monthly Target	Oct 2010	Nov 2010	Dec 2010	Jan 2011	Feb 2011	March 2011	Total
1	Limpopo	60 000	65 032	85 910	105 898	102 672	108 077	110 382	577 971
2	Mpumalanga	85 000	149 000	171 268	179 921	26 232	94 756	93 244	714 421
3	Gauteng	275 000	276 579	180 834	379 479	120 829	93 170	134 995	1 185 886
4	North West	65 000	45 029	80 568	95 438	92 028	48 376	186 098	547 537
5	Free State	65 000	21 708	60 824	71 934	84 443	31 908	38 165	308 982
6	KwaZulu Natal	170 000	212 915	220 226	305 285	276 839	180 892	198 341	1 139 498
7	Eastern Cape	85 000	66 078	105 260	105 200	86 697	61 370	57 405	482 010
8	Western Cape	160 000	143 538	210 442	155 316	134 318	83 175	102 260	829 049
9	Northern Cape	35 000	23 956	2015	23 836	15 213	14 073	11 812	90 905
10	Other		386 052	232 568	266 986	288 481	226 073	203 347	1 603 507
	<b>TOTAL</b>	1 000 000	1 389 887	1 349 915	1 689 293	1 227 752	941 870	1 136 049	7 734 766

Table 6.1

**Number of notices issued per province:**

No	Authority	Oct 2010	Nov 2010	Dec 2010	Jan 2011	Feb 2011	March 2011	Total
1	Limpopo	15 090	19 601	17 859	18 662	19 602	19 775	110 589
2	Mpumalanga	37 909	24 823	34 174	1829	10 932	15 398	125 065
3	Gauteng	72 698	15 051	18 200	118 411	91 980	334 571	650 911
4	North West	9565	1787	16 071	40 690	21 857	18 508	108 478
5	Free State	5320	17 360	22 195	26 617	9686	35 200	116 378
6	KwaZulu Natal	29 469	30 037	45 661	37 223	27 256	27 659	197 305
7	Eastern Cape	12 630	54 501	22 195	26 078	16 307	18 787	150 498
8	Western Cape	14 377	203 498	315 012	77 149	47 380	36 284	693 700
9	Northern Cape	6560	3289	3336	2492	2054	1171	18 902
10	Other	-	10 861	82 432	-	6767	2483	102 543
	<b>TOTAL</b>	203 618	380 808	577 135	349 151	253 821	509 836	2 274 369

*Table 6.2*

**Number of vehicles discontinued/suspended/impounded per province:**

No	Authority	Oct 2010	Nov 2010	Dec 2010	Jan 2011	Feb 2011	March 2011	Total
1	Limpopo	151	278	309	0	139	227	1104
2	Mpumalanga	594	130	572	41	0	287	1624
3	Gauteng	1145	1616	988	805	644	1740	6938
4	North West	0	81	38	66	0	0	185
5	Free State	22	5	101	11	368	63	570
6	KwaZulu Natal	835	567	1038	917	0	513	3870
7	Eastern Cape	0	2309	1117	577	216	229	4448
8	Western Cape	874	642	525	443	0	230	2714
9	Northern Cape	0	0	27	58	46	38	169
10	Other	860	277	1112	870	9	62	3190
	<b>TOTAL</b>	4481	5905	5827	3788	1422	3389	24 812

*Table 6.3*

**Number of people arrested for all road traffic offences including driving whilst under the influence, dangerous driving, fraudulent public passenger transport documentation and other serious offences:**

No	Authority	Oct 2010	Nov 2010	Dec 2010	Jan 2011	Feb 2011	March 2011	Total
1	Limpopo	167	286	951	280	229	409	2322
2	Mpumalanga	60	250	401	41	104	160	1016
3	Gauteng	1535	970	845	878	418	820	5466
4	North West	25	508	32	91	173	15	844
5	Free State	426	57	126	546	107	87	1349
6	KwaZulu Natal	128	465	873	677	392	463	2998
7	Eastern Cape	158	941	1132	1647	1432	1266	6576
8	Western Cape	1193	1447	1005	831	734	705	5915
9	Northern Cape	15	236	36	38	-	5	330
10	Other	1083	5506	3867	3671	898	1051	16 076
	<b>TOTAL</b>	4790	10 666	9268	8700	4487	4981	42 892

**Table 6.4**

It can be said that through the NREP, two major perceptions that traffic enforcement is seen to be active only during the two peak traffic volume periods and that Traffic Officers merely hide behind bushes doing speed trapping for funds generation are being slowly, but successfully eradicated with respect to traffic law enforcement.

A holistic and integral draft National Traffic Law Enforcement Strategy has been developed which will eventually become part of the National Road Safety Strategy. This strategy will provide the blueprint for national traffic enforcement in the country and will complement the National Traffic Law Enforcement Code (NRTLEC).



## 6.2. Training of Traffic Personnel

A total of 1597 learners enrolled at the Colleges throughout the country in 2010/2011 of which 168 enrolled for the registered qualification for Traffic Officers. The following is the list of Traffic Colleges in the country and enrolments in 2010/11 for Basic Traffic Officer Training:

	Jan 2010 - June 2010	July 2010 - Dec 2010	Jan 2011 - Dec 2011 Still Ongoing
<b>Provincial Colleges</b>			
<b>Limpopo Traffic Training College</b>	146	09	07
<b>Boekenhoutkloof Traffic Training College</b>	60	113	10
<b>KZN Traffic Training College</b>	18	15	15
<b>Lengau Traffic Training College</b>	0	12	0
<b>Gene Louw Traffic Training College</b>	69	48	35
<b>Metro / Municipal Academies</b>			
<b>Matjhabeng Traffic Training College</b>	26	11	34
<b>Mangaung Traffic Training College</b>	0	0	17
<b>Durban Metro Police Academy</b>	350	282	19
<b>Johannesburg Metro Police Academy</b>	0	37	0
<b>Tshwane Metro Police Academy</b>	0	164	0
<b>Ekhurulani Metro Police Academy</b>	0	30	18
<b>Cape Town Metro Police Academy</b>	0	0	0
<b>Port Elizabeth Metro Police Academy</b>	39	0	13
<b>Total</b>	708	721	168

**Table 6.5**

The above figures also include the successful training of 231 of the RTMC Traffic Trainees. A passing out parade was held in April 2011 to celebrate their training as Traffic Officers and the unveiling of the new National Traffic Police Star. In addition to the above a total of 363 examiners for driving licences and a total of 97 Examiners of Vehicles were trained at the various Traffic Colleges. The quality of services rendered by the Traffic Training Colleges was monitored and evaluated according to set standards to ensure compliance and to enhance the quality of Traffic Officers produced from these institutions.



**Road Traffic**  
Management Corporation

*"The Change We Want to See on Our Roads"*



MISS SOWETO 2010  
MISS SOWETO 2010

First  
Thirty Thousand Rands Only R 30 000,00  
Road Traffic

The Cape Town Metro Police Training Academy was also approved in terms of the National Road Traffic Act as an Approved Traffic Training Colleges to train Traffic Officers. This increased the number of approved Traffic Training Centres in the country to 13 as set out in the matrix above.

The Corporation also facilitated and coordinated the full implementation of the SAQA registered qualification number: 62289 with 142 credits in Traffic Training Colleges around the country as from 1 January 2011. The duration of training of Traffic Officers has therefore extended from the previous six months training to a full year. Coupled to the theoretical training is the practical training policy which includes logbooks thus allowing for a large amount of practical training with added skills and knowledge. The basic training course for Traffic Officers is structured in such a way that it still allows Traffic Colleges to have an intake of new recruits twice a year namely in January and June. The Summative Assessment will still be conducted on a National basis and will be conducted in June and December each year. Full programme approval was also received from the LGSETA with regard to the learning package for the full qualification.

The Corporation was successful in registering three new qualifications with SAQA on 9 December 2010, namely:

ID 80046 National Certificate: Tactical Road Traffic Operations Level 5

ID 80047 National Certificate: Road Safety Development Level 5

ID 80066 National Certificate: Strategic Road Traffic Operations Level 6

An additional 13 Unit Standards were also registered on the same day enabling learners to gain credits for learning achieved in various areas within road traffic.

The Corporation received approval from the Minister of Transport to publish the Policy Document for Traffic Training Centres in the Government Gazette and this will be done shortly, thus paving the way for more stringent measures and standards at all Traffic training Colleges.

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

As from 1st April 2010 to 31 March 2011, one hundred and eighteen (118) major accidents were investigated and 110 preliminary reports were produced with 72 summary reports and letters with recommendations. The recommendations informed interventions to be implemented by relevant stakeholders to prevent similar crashes occurring in future.

A total of 200 SAPS, Metros and Traffic officials were trained on road crime crash investigation. This training will go a long way towards enhancing the capacity of accident investigation officials.

The National Fatal Accident Information Centre recorded 5506 fatal crashes during the period under review. The National Traffic Call Centre registered 113 Voluntary Public Traffic Observers to assist in observing and reporting bad driving and related incidences on the country's roads. A total of 6 469 calls were received during the financial year. These calls include eNaTIS related queries, AARTO inquiries, and reports on traffic offences. A total of 3 895 letters were sent to offenders highlighting the nature of the reported behaviour.

Annually, the Corporation conducts an independent traffic offence survey to determine the level of lawlessness on our roads with regard 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 disc;
- Pedestrian compliance; and
- Presence of traffic officers, pedestrians, cyclists and animals on the roads.

The RTMC conducted 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 2010 on a national level, in comparison with those of 2009, is given in the table below:

Summary of 2009 - 2010 Offence Indices					
Offence Type	Description	2009	2010	Change	% Change
<b>Speed Offences</b>	Urban areas all vehicle types	6.30	5.6	-0.7	-11.1%
	Rural areas all vehicle types	7.9	5.6	-2.3	-29.1%
<b>Alcohol Offences</b>	Day-time all vehicle types	1.26	0.68	-1.1	-87.3%
	Night-time all vehicle types	2.40	2.34	-0.1	-4.2%
<b>Seatbelt Offences</b>	Drivers	3.9	4.5	0.6	15.4%
	Passengers	4.5	5.0	0.5	11.1%
<b>Traffic Signal Offences</b>	Day-time all vehicle types	24.6	12.3	-12.3	-50%
	Night-time all vehicle types	19.6	11.8	-7.8	-39.8%
<b>No Driving License</b>	All Vehicles	1.5	0.8	-0.7	-46.7%
<b>No PrPD</b>	Minibus taxis, buses, trucks	2.0	0.8	-1.2	-60%
<b>Tyre Offences</b>	Worn and damaged tyres	6.9	5.6	-1.3	-18.8%

(continued)

(continued)

<b>Vehicle Light Offences</b>	Head-lights	1.1	1.0	-0.1	-9.1%
	Tail-lights	0.6	0.5	-0.1	-16.7%
	Brake-lights	2.3	4.2	1.9	82.6%
<b>Number Plate</b>	No Plate and disk correlation	0.2	0.3	0.1	-50%
<b>Combined Index</b>		5.6	4.2	-1.4	-25%

The information in the table above shows that, on a national level, the overall offence index has decreased by 25% from an index of 5.6 in 2009 to an index of 4.2 in 2010.

An increase of 15.4%, 11.1% and 82.6% was observed for seatbelt drivers, front passengers and brake lights from 2009 to 2010 respectively. Although a decrease has been observed other offences, it needs to be emphasized that these indices are still very high and very far from reaching the desired maximum offence rate of 5%.

The findings of these annual offence surveys assist prioritization of law enforcement interventions. For instance the 2010 offence survey established that the most important offences to focus on, as identified in the study, are amongst seatbelt drivers, front passengers and brake lights.

The Corporation's Road Traffic Injuries and Research Network (RTIRN) has been established. The main objectives of the network are:

- To set priorities for road traffic injury research.
- To develop capacity for road traffic injury research
- To promote investments
- To facilitate communication between partners involved in road traffic injury research
- To conduct strategic research on road traffic injuries
- To disseminate and promote the application and utilization of research results.

#### 6.4. Road Safety Education

The Corporation continued to educate the different categories of road users using different application methods. Programmes targeting drivers included the Driver of the Year, RTMC/Brandhouse Taxi No.1, and the Union Internationale Des Chauffeurs Routiers (UICR) international drivers competition where 2351 drivers participated and winners were crowned.

Learners were also reached through various schools' road safety programmes which included Scholar Patrol, Road safety debates and participatory educational techniques. These programmes are aimed at ensuring safe roads and informed road users.

#### 6.5. AARTO Implementation

The Administrative Adjudication of Road Traffic Offences Act, 1998, (AARTO) has three main objectives: (i) to reduce the carnage on our roads; (ii) to introduce a points demerit system to remove serious, habitual road traffic offenders from our roads; and (iii) introduce a more effective, expeditious, fair and transparent system for the processing of road traffic violations.

AARTO was introduced in the jurisdictional areas of Tshwane in July 2008 and in Johannesburg in February 2009 on a pilot basis with the view to test the functionality of the full system including the great variety of forms, processes and procedures. In addition, the implementation of the pilot also allowed for impact assessments to be conducted on all systems, weaknesses to be identified and allow for the necessary enhancements to be made. The Pilot Assessment report was finalised at the end of October 2010 and used as a basis to effect amendments and for the preparation of the national roll-out of AARTO. The following are some of the issues identified:

## **National Contravention Register (NCR)**

The development of the NCR on eNaTIS, as required by the AARTO Act 1998 (Act 46 of 1998), proved to be more demanding than originally envisaged. In addition to a mere register for the recording of traffic violation data this register provides for all the AARTO processes and procedures to be performed electronically in an interlinked and detailed manner. Some shortcomings within certain functionalities as well as inadequate functionalities were identified during the pilot assessment. Revision of existing functionalities and the development of additional functionalities continued and during a comprehensive User Acceptance Test (UAT) that was conducted in April 2011, a significant improvement in the overall effectiveness of the system was evidenced. The NCR is basically ready for the roll-out of AARTO.

## **AARTO Procedure and Financial Management Model (APFMM)**

A detailed APFMM is an important requirement to ensure sound processes and financial management and optimum performance of the various AARTO processes on a national basis. A draft APFMM was developed and put in place during the AARTO pilot. The model is currently in the process of being updated and will be utilised for future AARTO operations and processes.

## **Standard Operating Procedures (SOPs)**

Standard Operating Procedures (SOPs) are required to translate the great variety of requirements contained in the AARTO Act and Regulations into practical, easy to follow procedures in order to manage the total process; as well as to ensure that the stipulations are interpreted in a standard and uniform manner across all authorities. A total of 18 SOPs were identified for development. These SOPs support the training of traffic and administrative officials and need to be used during day-to-day AARTO operations and procedures to ensure optimal functioning.

## **Legislative amendments**

With the lessons learned from an analysis of deficient aspects through practical experience, amendments to the AARTO 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. While amendments to the Act are in the process of being prepared, the changes to the 2008 Regulations were finalised and published in the Government Gazette in April 2011 for public comment. The final 2011 Regulations will be published by the end of June 2011.

## **Readiness of Provincial, Metropolitan and Local Traffic Authorities**

In order to implement AARTO at the various Issuing Authorities, certain preparations have to be made, which include amongst others: adequate computer equipment, interfaces to NaTIS, training of officers and other personnel, registration of officers and personnel on NaTIS. A list of requirements was prepared and forwarded to the various provincial and metropolitan authorities towards the end of August 2010. A survey on the readiness of the 216 Issuing Authorities is currently being conducted.

## **Training on AARTO**

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. Special training sessions for administrative personnel who are responsible for effective back-office operations are also being undertaken.

## **Printing and distribution of AARTO stationery**

The AARTO process starts with law enforcement and the issuing of infringement notices. A variety of AARTO infringement notice books and forms are required to be available at all times at all issuing authorities. The allocation of unique individual infringement notice numbers with built-in check digits for each and every offence is essential. These numbers will therefore be controlled and allocated on a national basis. Negotiations were entered into with the Government Printing Works (GPW) for the printing and distribution of AARTO books and forms to the provincial, metropolitan and local traffic authorities. AARTO stationery was ready for distribution towards the end of April 2011.

## Public Awareness and Communications

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 in terms of the AARTO process, was identified as an important matter for improvement. Educational AARTO material was developed and the distribution thereof to role-players and stakeholders commenced in October 2010. In addition meetings are continuously arranged with a variety of private and public parties to explain and discuss AARTO issues and requirements. This process will be continuing until such time as the need in this regard declines.

### 6.6. Traffic Engineering and Infrastructure Safety Audit

The Corporation has launched an International Road Assessment Programme (iRAP). The programme's main objective is to promote road safety through the improved road infrastructure. The road network in which the project will be conducted is still to be finalized in consultation with stakeholders. The project will help the country to reduce fatal crashes that are caused due to poor road infrastructure. Such crashes are head-on, brutal side-impacts at intersections, hitting roadside hazards, which kill vehicle occupants. Pedestrians and cyclists are killed when crossing the road and when moving along the road. These types of crashes could be reduced if road infrastructure is addressed, as it is the main contributor. As the Corporation, we were able to solicit the support of some of the key stakeholders.

The Corporation has also completed the Road Safety Audit Manual, which will help the road authorities identify hazardous locations and develop interventions when planning new road infrastructure projects.

### 6.7. Public Relations

The Corporation coordinated and participated in various cross cutting meetings with various stakeholders and presented papers at various conferences including the Institute of Traffic and Municipal Police Officers' Conference, the International Association for Chiefs of Police Conference in Florida, USA in October 2010 and Institute of Licensing Officers.

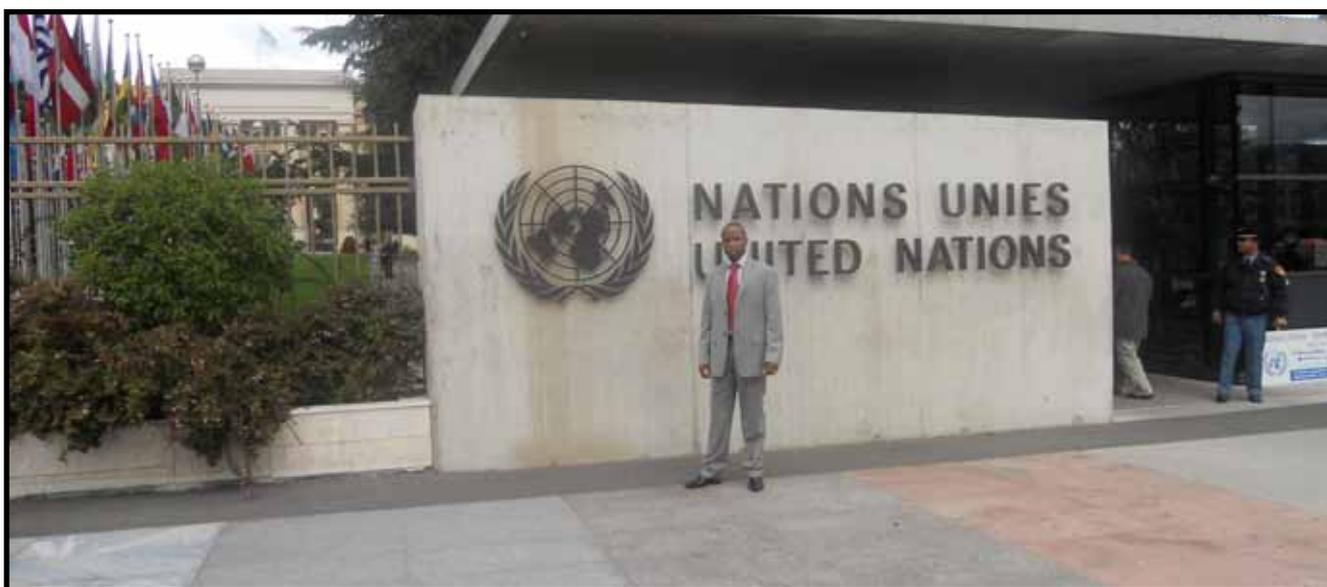
During the Festive and Easter seasons more than two hundred media interviews were held with various national, regional and community media, follow-up print and electronic media were also done. These are aimed at ensuring a sustainable media liaison and on educating the public on various aspects of road safety.

A successful media/enforcement workshop was conducted by the RTMC which allowed media representatives to explain the effective media relations to representatives from various authorities.

A Road Safety Magazine called Mzansi Traffic Beat was launched in March 2011 and will be a quarterly publication distributed to all road users.

### 6.8 International Participation

The Corporation acquired membership of the United Nations Road Safety Collaboration during the year under review.



Mr. Collins Letsoalo, Acting Chief Executive Officer, at the United Nations



United Nations Collaboration Meeting.



Segodi Mogotsi  
Acting Senior Executive Manager:  
Special Projects

*Section 7*

Performance Information Report

Strategic Objective	Performance Indicator	Target 2010 /11	Actual Performance	Reasons for over / under Performance
<b>Goal 1: Effective and sustainable traffic law enforcement and traffic control</b>				
Effective coordination and implementation of AARTO	Implement the AARTO process in six metros in South Africa	100% roll-out in six metros	<p>AARTO roll-out is at 33% as it is only operational in the metropolitan areas of Tshwane and Johannesburg.</p> <p>Additional work has been done to prepare for the national roll-out and this includes an AARTO pilot assessment and a report which are 100% complete and the review and updating of all AARTO forms with revised regulations. 10000 AARTO public information booklets titled "AARTO Explained" were produced and distributed</p>	The proclamation to roll-out AARTO nationally was repealed by Minister
	100% Maintenance of the National Contravention Register (NCR)	Enhance NCR	National Contravention Register (NCR) 90% complete and functional	Dependent on NaTIS contractor to finalise the project
	100% Enhanced and augmented NaTIS functionality in support of the AARTO process	Enhanced and efficient NaTIS	<p>The enhancement and functionality of NaTIS is at 42% complete</p> <p>A new register for Traffic Officers has been developed and provincial and local traffic officers are continuing to register on the system</p> <p>All Traffic Officers for six Metros have been registered</p>	Dependent on NaTIS contractor to finalise the project
	Facilitate the alignment of the RTMC, NRTA and AARTO Acts	100%	<p>The project is 55% complete. AARTO regulations were considered and approved by RTIA board.</p> <p>The regulations were submitted to the shareholders committee for consideration.</p> <p>(continued)</p>	Underestimation of task and what is required before finalisation

Strategic Objective	Performance Indicator	Target 2010 / 11	Actual Performance	Reasons for over / under Performance
<b>Goal 1: Effective and sustainable traffic law enforcement and traffic control</b>				
			<p>(continued)</p> <p>Based on the comments by the State Law Advisor the draft regulations had to be reviewed and resubmitted to the DoT for publication in the government gazette. The publication will only happen in the next financial year.</p> <p>The first draft AARTO amendment bill is complete and consulted, further work on the Acts will continue once the regulations are finalised.</p> <p>Assisted in legislative changes for appointment of traffic officers</p>	
	Migration of the AARTO administrative personnel and functions to RTIA	100% transfer of personnel to RTIA	<p>100% complete</p> <p>All personnel performing the AARTO administrative functions were relocated to the RTMC and all RTIA personnel remained with the agency.</p> <p>All applications to pay in instalments and representations are now dealt with by the RTIA</p>	N/A
Reduction in road traffic offences, accidents and incidents	60% electronic law enforcement and 40% active law enforcement	5% reduction of offences and fatalities	<p>National Rolling Enforcement Plan was expanded, updated and launched by the Minister. This plan saw the stopping and checking of 7 734 766 vehicles.</p> <p>Quarterly reports on the performance as per indicator from participating authorities were received and completed; letters were sent to non-complying authorities.</p>	

Strategic Objective	Performance Indicator	Target 2010 /11	Actual Performance	Reasons for over / under Performance
<b>Goal 1: Effective and sustainable traffic law enforcement and traffic control</b>				
	24/7 uninterrupted traffic law enforcement services	5% reduction of offences and fatalities	<p>Declaration of provincial traffic as essential service has not been attained, however hearings were held at the CCMA and the concept was presented to the Commissioner. Expert witness presented oral evidence to the Essential Service Committee. A letter was sent to the committee on expediting the decision.</p> <p>As a way forward to ensure the availability of traffic officers for 24hours on specific days, the RTMCC resolved to adopt Western Cape model which has yielded positive results so far.</p>	Awaiting decision by the Essential Services Committee
	Finalise consultation and move towards gazetting and finalization of NRTLEC	5% reduction of offences and fatalities	National Road Traffic Law Enforcement Code notice published in Government Gazette for public comments. Some comments were delayed thus the process could not be finalised.	SAPS submitted comments during February 2011, long after closing date.
	Establishment of National Enforcement unit, recruitment, selection and training of key unit members	Recruitment, selection and training of key unit members	231 Traffic Officers were recruited, trained and appointed as Special National Intervention Unit	None
	4620 schools on scholar patrol	11 300 schools reached	2402 schools reached through scholar patrol programme	<p>Only eight provinces participated on the participatory education project.</p> <p>On the scholar patrol some sponsorship did not materialise to expand programme to more schools</p>
	1x multimedia MOU with Department of Education		Signed MOU with Department of Education on the implementation of multi-media project. First draft concept document for learner licence developed 163 schools reached through Participatory Educational Techniques. 549 schools reached through school debates programme	
	1x concept document on learner licence programme for Grade 11			
	200 schools on participatory education			
	500 schools on debates			

Strategic Objective	Performance Indicator	Target 2010 /11	Actual Performance	Reasons for over / under Performance	
<b>Goal 1: Effective and sustainable traffic law enforcement and traffic control</b>					
	Professional driver training programme	18 Drivers	16 drivers trained and participated in the international UICR Competition held in Australia. Team SA was placed first in the Rigid Novice Category	None	
Reduction in road traffic offences, accidents and incidents	9 Provincial Road Safety Councils trained	9 provincial councils trained	Assisted DoT with the establishment of 6 provincial councils  Two training sessions conducted in collaboration with DoT in Limpopo and Mpumalanga	Unavailability of funds to conduct training	
	Installed flashers and rotating speed cameras	Pilot speed calming measures in one province	Not Achieved	Alternative approach to the project implementation was taken by MANCO during the third quarter to use a partnership approach	
		Introduction of speed calming measures in 2 provinces	Not Achieved		
	Development and implementation of a standardised IMS Framework in the country	Development and implementation of a standardised IMS Framework in the country		Not Achieved	The project is implemented by DoT
		Monitoring and evaluating the Impact of the IMS Framework		Not Achieved	
	Develop a comprehensive database on all the available emergency services around the country in support of an effective and efficient incident management system of the road network	Developed comprehensive database and GIS of all available emergency services in the country		Not achieved	DoT is performing the function
Operational GIS-based database with all emergency services institutions	Developed comprehensive database and GIS of all available emergency services in the country		Not achieved		

Strategic Objective	Performance Indicator	Target 2010 /11	Actual Performance	Reasons for over / under Performance
<b>Goal 1: Effective and sustainable traffic law enforcement and traffic control</b>				
	EVI tags developed  EVI pilot project implemented  National rollout of EVI	EVI Pilot in one province and preparation for the national roll-out  Monitoring and evaluation of the pilot	Started with the application to register EVI as PPP project with National Treasury	Budget constraints
<b>Goal 2: Sustainable human resource capacity in the road traffic environment</b>				
Uniform standards for training and development	Approved National Training Framework (NTF)	Approved NTF	NTF still in a draft format  However the following which form part of the NTF was done.  Finalised Practical/Field Training Officer Policy for basic traffic officer training and piloted it as part of the Further Education and Training Certificate: Road Traffic Law Enforcement (SAQA ID: 62289)  A policy for Private Service Providers was also developed. Policy on Traffic Training Centres was completed in terms of Regulation 2B of the National Road Traffic Act and it was approved by the Minister	N/A
	Implementation of NTF at all approved and accredited colleges	Implementation of NTF at all approved and accredited colleges	NTF will be implemented after its completion, however the following was done at Training Colleges: Final, special and supplementary exams for the following were produced, packaged and sent to training colleges:  • Examiner of driving licences Grade B, C, F, L, D and course 3 of 2010  • Examiners of vehicles course 3 and 4.  <b>(continued)</b>	Awaiting the finalisation of the NTF

Strategic Objective	Performance Indicator	Target 2010 /11	Actual Performance	Reasons for over / under Performance
<b>Goal 2: Sustainable human resource capacity in the road traffic environment</b>				
			<p><b>(continued)</b></p> <ul style="list-style-type: none"> <li>• Legal, NRTA, Loads on vehicles, dangerous goods and admin notices</li> </ul> <p>Moderated examination at all training colleges. Amended EoV learning material to include the unit standard Examine light motor vehicles. Conducted workshops to sensitise facilitators at Limpopo Traffic Training College on the registered qualification. Developed learner guide for Peace Officers and Traffic Wardens and circulated for comments. Conducted the annual college evaluations at the 12 colleges.</p>	
	Coordination and monitoring of national roll-out training in regard to AARTO	Train trainers on AARTO for 9 provinces and 12 approved Traffic Training Colleges in preparation for National roll-out of AARTO	The national roll-out of AARTO in 8 provinces could not be finalised as planned, however the 8 AARTO Train the Trainer sessions were completed. AARTO training needs statistics were collected from North West and Eastern Cape provinces	Alternative AARTO training roll-out plan submitted for approval
	Standardised training of the National Land Transport Act (NLTA), 2009	Amend NLTA Training Material for programme approval	NLTA training material amended and full programme approval received from LGSETA. NLTA is fully implemented in Traffic Training Colleges as part of the Basic Training of Traffic Officers as from January 2011	N/A
		Train trainers on NTLA for 9 provinces and 12 Approved Traffic Training Colleges in preparation for National roll-out of NTLA	Presented NLTA to the Board of Cross Border Road Transport Agency	N/A

Strategic Objective	Performance Indicator	Target 2010 /11	Actual Performance	Reasons for over / under Performance
<b>Goal 2: Sustainable human resource capacity in the road traffic environment</b>				
Productive and adequately capacitated workforce	240 learners on learner-ship programme	240 learnerships	240 learnerships recruited and 231 of them passed out as Traffic Officers.	Other learners release from the programme due to a variety of disqualifications.
	10 interns trained	10 intern	Internship needs from various branches were identified and consolidated. No interns were taken in	Implementation was reprioritised to the next financial year due to insufficient budget for the Corporation
	10 staff re-skilled	10 re-skilling	One official who was a Driver/Messenger underwent a training as a traffic officer	Four identified officials did not make it through the selection tests
<b>Goal 3: Road Traffic Information Hub</b>				
Effective and efficient road traffic information and knowledge management systems	Publication and distribution of 4 quarterly road traffic reports by the end of the second month after the end of financial year	4 quarterly traffic reports	Published two quarterly Road Traffic Reports	Not all forms were received from various Police Stations.
	Publication and distribution of 1 Calendar year road traffic report by the end of February the following year	1 calendar year road traffic report	Not achieved	Not all forms were received from various Police Stations
	Publication and distribution of Financial Year Traffic Report two months by the end of 31 May	1 Financial Year Road Traffic Report	Not achieved	Drafting underway
	Pilot and roll-out of the real-time accident reporting system	Pilot and implementation of the Real-Time Accident Recording System in one province Assessment reports of effectiveness and number of accidents recorded	Only manual recording of accidents was done because the piloting of the real time capturing system not functional.	Budget Constraints
	80% accuracy and completeness of information	80% accuracy and completeness of information	70% accuracy and completeness of information attained	The assessment of Oracle database still outstanding
	99% system uptime and accessibility (NaTIS, ERP, ARS, Website, IT service offering)	99% system uptime and accessibility	80% systems uptime and accessibility attained	Work in progress

Strategic Objective	Performance Indicator	Target 2010 /11	Actual Performance	Reasons for over / under Performance
	Efficient provision of IT business maintenance and support	99% operational system uptime	All the systems up and running including the Call Centre systems  Telkom lines restored	N/A
		100% provision of IT equipment	100% provision of IT equipments to users is being achieved. 40 laptops provided to users. Blackberry Enterprise Server configured	None
	Compile and disseminate preliminary and summary reports for all major accident investigated	Preliminary and summary reports for all major accidents investigated	Major crashes investigated = 118  Preliminary and summary reports completed = 110	
	Implementation of a 24/7 call centre	Implement a 24/7 call centre	The 24/7 call centre has not been achieved	More work is required
		Monitor and evaluate the impact of a 24/7 call centre	Call Centre on its current state is 100% operational. Statistics on the its functioning is being gathered	N/A
Effective and efficient road traffic information and knowledge management systems	Establishment of Research Working Committee	Conduct one research project and evaluate one road safety project  Publication of 4 road traffic management research articles on research outcomes in the general media and journals	A technical committee on Infrastructure and Research Development were established to replace the Research working Committee	None
	Signed SLAs with identified research institutions		Memorandum of Understanding between RTMC and Medical Research Council (UNISA) finalised.	None
	Number of research and evaluation reports completed		No research conducted	None
	Annual state of road safety survey and report finalised and distributed to stakeholders	1 Analytical report on offences levels to inform the identification of offences for effective and efficient law enforcement	Annual state of the road safety survey conducted and report produced and distributed to traffic authorities for implementation	None

Strategic Objective	Performance Indicator	Target 2010 /11	Actual Performance	Reasons for over / under Performance	
<b>Goal 4: Strengthen institutional capacity</b>					
Sound corporate governance	Strategic plan approved by 1 April	Strategic plan approved by 1 April 2010	Strategic Plan 2010-2015 finalised, presented to the Shareholders Committed and approved.	None	
			APP 2010/11 finalised	None	
	4 quarterly reports at the end of the 1st month after the end of the quarter	Four quarterly reports	Four quarterly performance reports produced and submitted to the DoT	None	
	Annual Report approved by Parliament	30 Sept 2010	Annual Report 2009/10 produced, tabled at Shareholders and submitted to DoT	None	
	Audit reports (04 Performance information and 02 contracts, 03 Finance, 01 Corporate Governance, 03 Human Resources, 01 IT Governance audits)	14 audits	9 audit completed and reports produced	None	
	Risk assessment	1	Risk assessment	None	
	Number of Board and committee meetings	4 board meetings	4 board meetings	Not achieved	No Board Committee
		4 audit committee meetings	4 audit committee meetings	Not achieved	No Board Committee
		4 risk & finance committee meetings	4 risk & finance committee meetings	Not achieved	No Board Committee
		2 REMCO meetings	2 REMCO meetings	Not achieved	No Board Committee
		4 committee meetings	4 committee meetings	Not achieved	No Board Committee
2 governance committee meetings		2 governance committee meetings	Not achieved	No Board Committee	
Sound corporate governance	Approved governance tools and agreement	Compliant governance agreement	Not achieved	No Board Committee	
		Finalise, implement and monitor adherence to governance tools through the usage of a compliance matrix	Not achieved	No Board Committee	

Strategic Objective	Performance Indicator	Target 2010 /11	Actual Performance	Reasons for over / under Performance
<b>Goal 4: Strengthen institutional capacity</b>				
		Review constitution and composition of governance structures	Not achieved	No Board Committee
		Effective communication and monitoring of Board decisions and resolutions to the Corporation	Not achieved	No Board Committee
	05 policies and procedures	Approved IT policies and procedures implemented	05 policies in draft form	Utilising existing policies
	100% compliance to policies and procedures	100% compliance to policies	Compliance with existing policies adhered to	None
	Approved corporation budget (revenue and expenditure estimates)	Approved budget in the strategic plan	Budget for 2011/2012 financial year finalised, approval is awaiting finalisation of the strategic and operational plan	None
	Monthly management accounts)	Management accounts	Eight management accounts reports produced	None
	Quarterly financial reports	Financial reports	Four financial reports produced	None
	MTEF budget submission	MTEF budget not submitted	Medium Term Expenditure budget submitted to DoT and National Treasury	None
	PFMA compliance certificate	Approved compliance certificate	Four compliance certificates produced	None
	ENE submission	ENE submitted to Treasury	Estimates of National Expenditure submitted to National Treasury	None
	Annual financial statements	AFS submitted to the OAG and Treasury by 31st May	Annual Financial Statements submitted to the Office of the Auditor-General and Treasury	None
	Supply Chain Management's norms and standards	Compliance reports submitted to Treasury and the OAG	Eleven compliance reports submitted to National Treasury	None
	BBBEE reports	BBBEE reports submitted	Procurement from BBBEEE suppliers is at 60%	None

Strategic Objective	Performance Indicator	Target 2010 /11	Actual Performance	Reasons for over / under Performance
<b>Goal 4: Strengthen institutional capacity</b>				
	Financial policies and delegations reviewed and approved	12 policies developed, approved and implemented	09 policies are in draft form	None
	HR policies and procedures	43 draft policies and procedures approved and implemented	43 policies are still in draft form	Awaiting the finalisation of the restructuring process and alignment.
	100% compliance with HR policies	100% compliance with policies and procedures on all HR policies	Compliance to existing policies ensured New policies are awaiting the finalisation of the restructuring process before they can be finalized	None
Financial sustainability	Approved revenue generation model/strategy)	Approved revenue generation model/strategy	Not achieved	Possible amendments required on the RTMC Act to enable revenue generation
	R100 million revenue generated and recorded	R100 million revenue generated and recorded	Not achieved	
<b>Goal 5: Protect road infrastructure and the environment</b>				
Sustainable road infrastructure	1 mobile weigh bridges by March 2011	1 mobile bridge	Not achieved	Function not transferred to RTMC
	500 000 heavy duty vehicles tested	500 000 heavy duty vehicles tested	On average 240 000 vehicles tested as per DoT/CSIR Freight/Loads Management Strategy	Function not transferred to RTMC
Sustainable environment	500 000 vehicles tested	500 000 vehicles tested	Not achieved	The function of emissions testing presently reside with NDOT and has not yet been transferred to RTMC
	100% Review of South African Safety Manual and six road safety assessments	Reviewed SARSM	South African Road Safety Manual reviewed, awaiting approval	None
		02 road safety assessments	Not achieved	Awaiting approval of SARM
	Curriculum framework training course manuals for road safety auditors	Development of road safety audit training manuals	Not achieved	Awaiting approval of SARM

Strategic Objective	Performance Indicator	Target 2010 /11	Actual Performance	Reasons for over / under Performance
<b>Goal 6: Effective stakeholder management and partnerships</b>				
Effective coordination amongst relevant organs of state	Media relations, radio interviews, publications, literature	14 radio interviews	More than 200 radio interviews conducted	None
		8 publications	Msanzi Traffic Beat produced and 14 000 copies distributed	None
		4 million literature	AARTO educational material distributed	None
	6 Road Safety Councils established	4 Provincial Road Safety Councils established	06 Provincial Road Safety Councils established by DoT	The process is led by DoT
	Road Safety Council Meetings	40	Attended and participated at Road Safety meetings coordinated by DoT	None
	4 RTMCC	4	4 RTMCC meetings held	None
	4 LETCOM	4	Coordinated 4 LETCOM meetings	None
	Internal stakeholder programmes	7 internal stakeholder programmes	4 Internal stakeholder events held	None
	Establishment private and public sector relationships	2 agreements concluded	SABC partnership agreement finalised and partnered with NetCare 911 and Pick n Pay on Make Road Safe festive season activations	None
100% successful with attendance and participation of all identified stakeholders and implementation of conference resolutions	Implementation of previous year conference resolutions	The conference resolutions are implemented as part of the 2010/11 Annual Performance Plan	None	
Increased and sustained private sector investments	Concluded agreements	2 agreements concluded	Secured sponsorship from Standard Bank for the launch of National Intervention Police Unit	None

## Projects not completed in 2009 / '10

1. ROAD TRAFFIC LAW ENFORCEMENT COORDINATION				
Outputs	Indicator	Outcome	Actual Achievements (31 March 2011)	Way Forward
<p>An integrated loads management plan for goods and public transport vehicles.</p> <p>Co-ordinating and monitoring of the implementation plan.</p>	<p>Approved plan.</p> <p>Monthly monitoring, reports.</p>	<p>Improved safety and security and the protection of infrastructure through the implementation of the plan.</p>	<p>Loads Management Plan developed in conjunction with CSIR and DoT.</p> <p>Loads management plan is driven by NDOT in conjunction with the CSIR.</p> <p>RTMC is a participant of the loads management plan.</p>	<p>This project is driven by the NDoTr</p>
2. TRAFFIC INFORMATION MANAGEMENT AND ACCIDENT RECORDING AND INVESTIGATION				
Outputs	Indicator	Outcome	Actual Achievements (31 March 2011)	Way Forward
2.1 To Conduct Accident Investigation and reconstruction				
<p>Unit model developed through international benchmarking; piloted as well as recruitment of personnel</p>	<p>Functional unit established and number of skilled accident investigators employed</p>	<p>Trained accident unit personnel to conduct accident investigations in house.</p>	<p>Accident Investigation Unit for the RTMC</p> <p>A desktop research report has been compiled regarding the establishment of the Crash investigation unit. No achievements, work is in progress to facilitate training of staff on this aspect</p>	<p>To be re-looked in the next financial year</p>
2.2 To develop a Programme: Accident Investigation & Reconstruction for the Law enforcement stakeholders				
<p>A Special Traffic Accident Investigation and Reconstruction Framework, programmes, developed and piloted in selected province and on specialised unit within RTMC</p> <p>Link with Training of Traffic Personnel</p>	<p>Unit standards developed;</p> <p>Registered program;</p> <p>Progress reports on implementation</p>	<p>Standardized training for traffic personnel</p>	<p>A Draft Submission on formal qualification was prepared and submitted.</p> <p>Industry specific on-site investigation program draft manual finalised</p> <p>Two training sessions were conducted and 93 officials and a further 60 officials from crash and non crash investigations were trained</p> <p>This project is discontinued, because it is not a priority</p>	<p>None</p>

## 1. ROAD TRAFFIC LAW ENFORCEMENT COORDINATION

Outputs	Indicator	Outcome	Actual Achievements (31 March 2011)	Way Forward
2.3. To establish a formal body to regulate Traffic Accident Investigators in the country				
Regulations for the accreditation of accident investigators developed	Database with Registered accident investigators	Standardize and Regulated accident investigating Environment	Requested opinion from Legal Services to determine if the Body should be established within the RTMC or outside. No longer a priority project to be implemented by the RTMC	None

## 3. TRAFFIC ENGINEERING AND ROAD SAFETY AUDIT

Outputs	Indicator	Outcome	Actual Achievements (31 March 2011)	Way Forward
3.1. To develop an accredited curriculum framework and capacity development on Road safety audit and assessment (training to be done through academy where on block bases specialist can come and facilitate).				
Curriculum framework developed on safety audit and assessment and piloted	Gazetted framework Curriculum framework developed	Standardised training for safety auditors	Preliminary framework being finalised for discussion with stakeholders Project re-planned on the 2010/11 APP and reported on above	None
3.2 Numbering of all unnumbered rural roads for effective incident management				
All unnumbered rural roads numbered	100% unnumbered rural roads numbered	Efficient route network referencing system Effective and efficient emergency services	Meeting held with the Department of Transport to discuss the implementation of the project Project to be implemented by National Department of Transport	Project implemented by NDoT

#### 4. RESEARCH AND DEVELOPMENT

Outputs	Indicator	Outcome	Actual Achievements (31 March 2011)	Way Forward
4.1. To investigate and amend provisions on NRTA to deal with stray animals and animal drawn vehicles				
Amendment to NRTA (stray animals and animal drawn vehicle Collaboration with Legal Services	Number of consultative meetings with stakeholders Draft Amendments to NRTA	Adequate legislative framework governing stray animals and animal drawn vehicles	Participated in technical committee developing standards AMT facilitated by SABS No longer a priority project to be implemented by the RTMC	None
4.2. Developing of a comprehensive database on all the available emergency services around the country				
A database on all available emergency services with detailed information and revised Incident Management Manual.	Final report and on all available emergency services and revised Incident Management Manual submitted	Effective and efficient incident management system of the road network	70% of the project is complete which involved consultation with stakeholders The project is now implemented by the NDoT	The project is implemented by NDoT
4.3. To develop software and deploy E Force handheld computers distributed to Traffic authorities in Gauteng Province				
1000 TOPCS Units utilized to implement pilot project in Gauteng province	Functional software installed on the TOPCS Number of TOPCS distributed to Traffic Authorities	Improved effective and efficient traffic policing	Not achieved but project specifications completed Project is no longer a priority, may be considered during 2011/12 financial year	None
<b>5. HUMAN RESOURCES AND ADMINISTRATIVE SERVICES</b>				
Outputs	Indicator	Outcome	Actual Achievements (31 March 2011)	Way Forward
5.1. To manage and execute Human Resources Management				
Employment Equity Plan developed and implemented	60% compliance with the Employment Equity Plan	Transformed organisation	EE plan developed and approved by EXCO Letters drafted and awaiting approval for the appointment of members for the Employment Equity Consultative Forum. EE Plan is being implemented	None

## 5. HUMAN RESOURCES AND ADMINISTRATIVE SERVICES

Outputs	Indicator	Outcome	Actual Achievements (31 March 2011)	Way Forward
<b>5.1. To manage and execute Human Resources Management</b>				
Training Plan developed & implemented	- Skills Audit report - 80% compliance with Training Plan	Skilled employees	HR strategy developed based on skills audit report and approved by EXCO  WSP for 2010/11 developed , approved by acting CEO and submitted to Service SETA  WSP was submitted end of July 2010 for the financial year 2010/11	None
<b>5.2. To manage and execute Organisational Development (OD)</b>				
Permanent organizational model implemented	100% staff absorbed	Adequately capacitated organisation	Staff absorption process completed as per original scope. Skills audit process to further inform staff absorption.  The SLA was signed with the service provider and significant progress was made with development of the new structure for RTMC	Work in progress
<b>6. INFORMATION TECHNOLOGY</b>				
<b>6.1 To effectively and efficiently provide technological support and services to enable the attainment of the business objective of the corporation by 31 March 2010</b>				
A disaster recovery plan developed and implemented	Disaster Recovery Plan Back up and testing progress reports	100% Confidentiality, integrity and 95% availability of business support systems for business continuity	Project cancelled Project put on hold due financial constrains  This will be planned for the next financial year	To be re-designed
IT Support Services Management contract + Network Security and monitoring system	SLA with supplier 85% customer satisfaction Progress reports Network security monitoring report		95% complete Project put on hold pending the decision after an assessment.	Work in progress

## 6. INFORMATION TECHNOLOGY

Outputs	Indicator	Outcome	Actual Achievements (31 March 2011)	Way Forward
Implementation of Business Intelligence system (Part of ERP functionality). Acquisition to be done by Finance	Percentage of work completed as per IT specification	Enable service delivery on finance, HR, SCM and other related RTMC functional systems	90% complete Oracle ERP project declared fruitless and the new ERP is 100% complete Pastel Evolution and VIP payroll has been Implemented and working	ERP Oracle project cancelled and Pastel Evolution implemented

6.2 To effectively and efficiently provide technological support and services to enable the attainment of the business objective of the corporation by 31 March 2010

SLA report  Percentage of trained users	24 x 7 website functional system	Website 100% implemented  Intranet 95% complete  The functionality has been developed and is in the final stages of testing prior to deployment  New RTMC Intranet will be redesigned as part of the internet	Work in progress	
-----------------------------------------------	----------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------	--

## 7. INTERNAL AUDIT

Outputs	Indicator	Outcome	Actual Achievements (31 March 2011)	Way Forward
Fraud Prevention Plan developed and communicated and implemented	Approved Fraud Prevention Plan No. of workshops Reports	Safe and secure working environment	Fraud prevention plan in place, workshops to be conducted	None

## 8. FINANCIAL SERVICES

Outputs	Indicator	Outcome	Actual Achievements (31 March 2011)	Way Forward
8.1 Financial Management Policies and procedures development				
Financial Management policies reviewed and operating procedure manuals developed	No. of Draft policies and procedures Consultation process and reports No. of Approved policies.	Improved compliance and/control	12 draft policies in place Policies still in draft form to be aligned with the new financial system.	None

## 8. FINANCIAL SERVICES

Outputs	Indicator	Outcome	Actual Achievements (31 March 2011)	Way Forward
Review financing model to govern private sector investments in road traffic	Approved policy on private sector investments	Income growth to meet budget	Not achieved,	To be re- considered
100% recording and management of sponsored funds	Sponsorship policy Sponsorship register Expenditure reports	Income growth to meet budget	Sponsorship policy to be submitted for approval	None

### 8.2 Develop and implement an integrated client relationship management strategy

Develop and implement client charter	Approved client charter Survey questionnaires and feedback	Improved client relationship	Not yet done Not prioritised for 2010/11	None
--------------------------------------	---------------------------------------------------------------	------------------------------	---------------------------------------------	------

### 8.3 Develop and implement transversal systems

Procurement and implementation of ERP (Finance Module) and Travel Management System	Progress Reports	Improved service delivery  Cost savings	Travel management system will not to be procured. To conclude an agreement with a service provider to provide travel management services to the Corporation. Pastel Evolution and VIP Payroll implemented.	None
-------------------------------------------------------------------------------------	------------------	-----------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------

## 9. AARTO

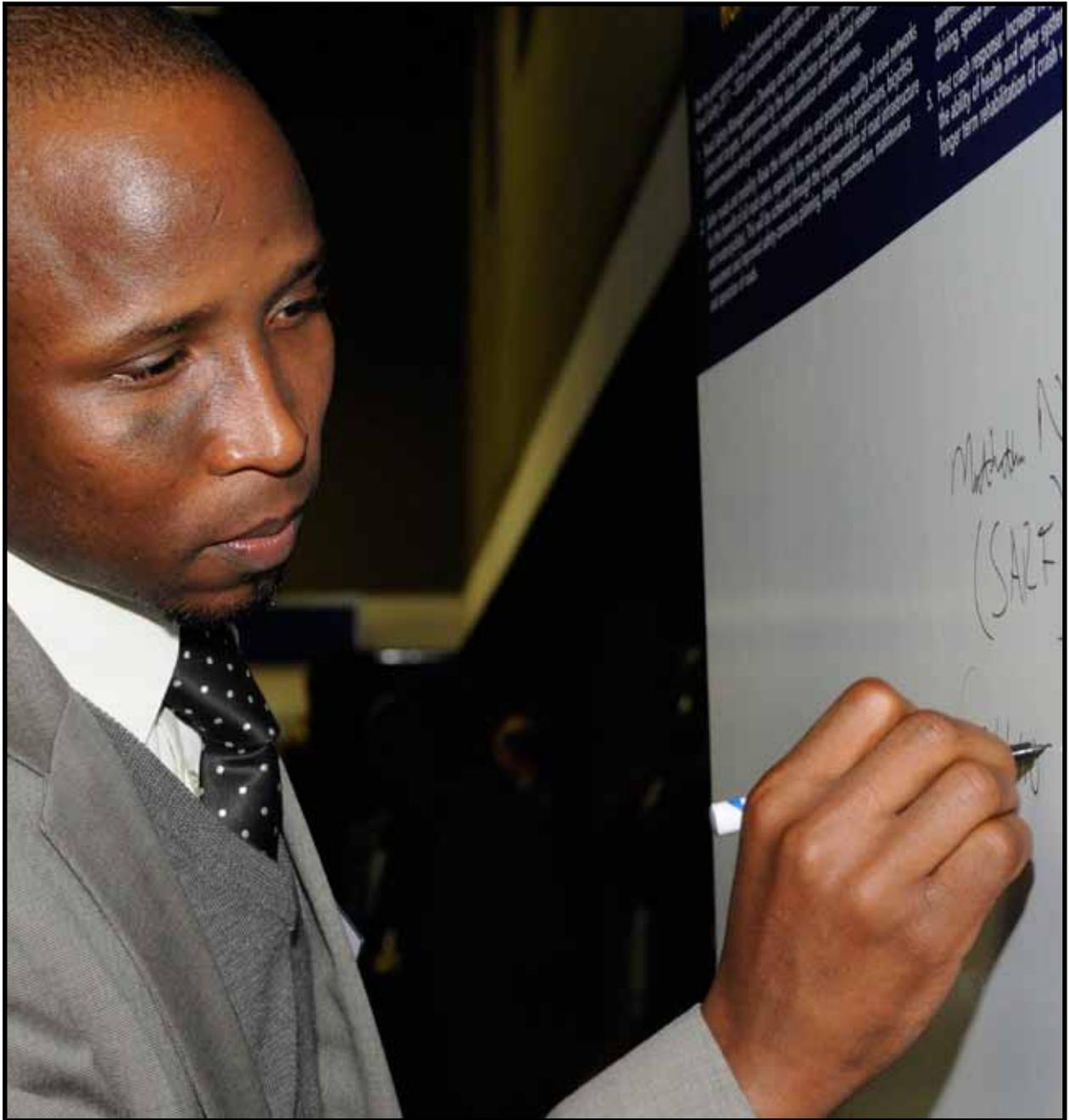
Outputs	Indicator	Outcome	Actual Achievements (31 March 2011)	Way Forward
---------	-----------	---------	-------------------------------------	-------------

### 9.1 To Implement the AARTO in the country

Monitor and evaluate the readiness of Issuing Authorities in the rest of the country to implement AARTO	Pilot readiness surveys conducted and reports	Preparedness of all Issuing Authorities for AARTO	Pilot readiness checklist developed and updated with the pilot experiences in Tshwane and Johannesburg. AARTO pilot assessment report completed. With the exception of North West and Limpopo provinces, all other provinces indicated that they are ready. The main reason for the apparent un-preparedness is a lack of funds to purchase NCR/NaTis equipment. (continued)	Work in progress
---------------------------------------------------------------------------------------------------------	-----------------------------------------------	---------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------

## 9. AARTO

Outputs	Indicator	Outcome	Actual Achievements (31 March 2011)	Way Forward
			(continued) A memorandum was submitted to National Treasury requesting that some NATIS transaction fees be allocated for the purchasing of equipment.	
AARTO website functionality enhanced (Collaboration with IT Unit)	Performance and statistical reports	Effective, efficient and accessible interactive website in line with eCommerce imperatives	The functionality has been developed and is in the final stages of testing prior to deployment	Work in progress
Publication and distribution of educational material in Gauteng specifically and the rest of the country thereafter monitored	The number of media platforms used for publications and advertisements No. of workshops and people educated Reports	A well informed public on the AARTO	AARTO educational booklets were printed and distributed to various road safety promotion functions and meetings with stakeholders. Further hard copies and electronic formats were provided to provinces for distribution	None
Monitor the provision of adequate forms at all service points and the deployment of eForce TOPC (Traffic Officer Pocket Computers) (Collaboration with Research and Development)	Number and availability of handwritten and application forms at service points	Effective business processes	Awaiting the eForce project, provision was made for the use of laptops at the roadside in the meantime Printing of AARTO forms by the Government Printing Works commenced. A stationery request for quotation form was developed and provided to authorities for completion and submission to GPW	None
Evaluate performance of various collection mechanisms and enhancements	Signed contracts for the efficient collection of revenue with service providers across the country at convenient locations to the infringers	Effective business and financial processes	Various meetings held with banks and authorities to increase the payment channels and on-line real time channels SAPO, banks and internet banking facilities are now available and functional	None



*Acting CEO signing a declaration for Road Safety*



Alfred Maepa  
Acting Chief Financial Officer  
Finance

*Section 8*

Annual Financial Statements

“A financial System was implemented in the year under review”

# Road Traffic Management Corporation

Annual Financial Statements for the year ended 31 March 2011

## Corporate Information

### Directors

Mr RJ Rakgoale (on suspension)  
Mr CP Letsoalo (Acting CEO)

There are no Board of Directors as the Board was dissolved in April 2010.  
The Acting CEO, Mr. Collins Letsoalo was appointed as an Accounting Authority in terms of section 49 of the PFMA.

### Business address

Boardwalk Office Park  
Phase 5, Boardwalk, Boulevard  
Faerie Glen  
Pretoria

### Postal address

Private Bag x 147  
Pretoria  
0001

### Bankers

Standard Bank  
First National Bank  
ABSA  
Nedbank

### Auditors

Auditor-General of South Africa

# Road Traffic Management Corporation

Annual Financial Statements for the year ended 31 March 2011

<b>Index</b>	<b>Page</b>
<i>The Reports and Statements set out below comprise the Annual Financial Statements presented to the Minister of Transport:</i>	
Approval and Statement of Responsibility	<b>109</b>
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 2011	<b>110</b>
Accounting Authority Report	<b>115</b>
Statement of Financial Position	<b>117</b>
Statement of Financial Performance	<b>117</b>
Statement of Changes in Net Assets	<b>118</b>
Cash Flow Statement	<b>118</b>
Accounting Policies	<b>119</b>
Notes to the Financial Statements	<b>128</b>
<i>The following supplementary information does not form part of the annual financial statements and is unaudited:</i>	
Detailed Income Statement	<b>147</b>
Supplementary Schedule	<b>148</b>

## Road Traffic Management Corporation

Annual Financial Statements for the year ended 31 March 2011

### 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 together with 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 and in accordance with section 49 of the PFMA, the Chief Executive Officer of the entity acted as the accounting authority as the board or controlling body was not in place. The Acting CEO was appointed as the Accounting Authority in terms of section 49 of the PFMA.

The Auditor General of South Africa is responsible for independently auditing and reporting on the fair presentation of the financial statements conforming 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, together with adequately safeguarding, verifying and maintaining accountability of assets, as well as preventing and detecting 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 operating for the foreseeable future. Even though the Corporation has reported a net deficit and a state of technical insolvency, government grants have been allocated to the Corporation for the next three years, thus resulting in the Corporation operating on a limited scale.

The accounting authority is satisfied that the information contained in the financial statements adequately 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 146 have been approved by the accounting authority and were signed on its behalf by:



**Mr. CP Letsoalo**

**Date : 28 July 2011**

# REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE ROAD TRAFFIC MANAGEMENT CORPORATION

## REPORT ON THE FINANCIAL STATEMENTS

### Introduction

1. 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 2011, 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 146

### Accounting authority's responsibility for the financial statements

2. 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 the requirements of the Public Finance Management Act of South Africa, 1999 (Act No.1 of 1999) (PFMA), and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor-General's responsibility

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) 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.
4. I conducted my audit in accordance with International Standards on Auditing and General Notice 1111 of 2010 issued in Government Gazette 33872 of 15 December 2010. 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.
5. 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.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my adverse audit opinion.

### Basis for adverse opinion

#### Trade and other receivables

7. Included in accounts receivable is an amount of R6 222 882, the recovery of which is doubtful, based on the past payment history of the specific debtor. An impairment loss has not been recognised in accordance with South African Statement of Generally Accepted Accounting Practice, IAS 39 (AC 133), Financial instruments: Recognition and measurement. Had an impairment loss been recognised, accounts receivable would have been stated at R177 204 412, and the deficit for the period and accumulated deficit would have been increased by R6 222 882.
8. Included in accounts receivable is an amount of R3 521 375 for the group collection authorities of the AARTO infringement fees debtors. We could not perform alternative audit procedures to validate the completeness and accuracy of the individual balances making up the amount of R3 521 375.

#### Property, plant and equipment

9. The entity did not review the residual values and useful lives of office equipment, furniture and fittings and computer equipment at each reporting date in accordance with Standard of Generally Recognised Accounting Practice, GRAP 17, Property, plant and equipment. Had this review been done, office equipment, furniture and fitting and computer equipment, included in note 7 to the financial statements, would have been stated at R324 194, R1 165 966 and R6 891 358 respectively, and the deficit for the period and the accumulated deficit would have been decreased by R198 100.

10. I was unable to verify the completeness and existence of property, plant and equipment, stated at R10 010 490 (2010: R15 164 993) in the financial statements since the relevant details of these assets were not included in the fixed asset register and accounting records. The entity's records did not permit the application of alternative audit procedures regarding the completeness and existence of these assets.

### Intangible assets

11. The entity did not derecognise computer software that has no future economic benefits or service potential from its use or disposal as required by GRAP 102, Intangible assets. Had the computer software been derecognised, computer software, included in note 8 to the financial statements, would have been stated at R1 217 771, and the deficit for the period and the accumulated deficit would have been increased by R334 537.
12. The entity did not assess at each reporting period whether there is any indication that an intangible asset may be impaired. This assessment should be performed irrespective of whether an intangible asset is available for use or not as required by GRAP 21, Impairment of non-cash-generating assets. The entity's records did not permit the application of alternative audit procedures regarding the valuation of intangible assets. An assessment was not performed on the IT Service Desk and Network Diagnostic System, as disclosed in note 8 to the annual financial statements. Consequently, I did not obtain all the information and explanations I considered necessary to satisfy myself as to the valuation of the intangible assets of R8 186 884.

### Road Traffic Infringement Agency information included in the prior year comparative figures in the annual financial statements

13. 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 the AARTO Act, promulgated that the administrative function of the RTIA that arises as a result of infringement notices shall be executed by the RTMC on behalf of the RTIA.
14. During the prior periods the RTMC included income and expenses relating to the RTIA in the accounting records of the RTMC. The RTIA should have submitted separate financial statements in terms of section 14(3) of the AARTO Act and the failure to submit separate financial statements resulted in the RTMC's prior period financial statements being materially misstated by the following amounts, after taking corrections of prior period errors into account:

<b>Class of Transactions</b>	<b>Amount 2010</b>
AARTO infringement collection fees (overstated)	R14 169 009
Other income (understated)	R95 642 347
Operating expenses (understated)	R81 473 338

### Adverse opinion

15. In my opinion, because of the significance of the matters described in the Basis for adverse opinion paragraphs, the financial statements do not present fairly the financial position of the RTMC as at 31 March 2011, and its financial performance and cash flows for the year then ended, in accordance with SA Standards of GRAP and the requirements of the PFMA.

### Emphasis of matters

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

### Restatement of corresponding figures

17. As disclosed in note 11 to the financial statements, the corresponding figures for 31 March 2010 have been restated as a result of errors discovered during the 31 March 2011 reporting period in the financial statements of the Road Traffic Management Corporation at, and for the year ended, 31 March 2010.

### Going concern

18. The accounting authorities report on page 115 indicates that the RTMC incurred a net loss of R80 754 840 during the year ended 31 March 2011 and, as of that date, the entity's current liabilities exceeded its total assets by R174 917 805. These conditions, along with other matters as set forth in the accounting authorities report, indicate the existence of a material uncertainty that may cast significant doubt on the entity's ability to operate as a going concern.

## **Irregular and fruitless and wasteful expenditure**

19. As disclosed in note 32 to the financial statements, irregular expenditure of R34 075 963 was incurred, as a result of deviations from supply chain management prescripts as determined by the National Treasury. The public entity also incurred fruitless and wasteful expenditure of R48 647 703 relating to an Accident Reporting System which was not utilised.

## **Material losses**

20. As disclosed in note 18 to the financial statements, intangible assets to the amount of R7 824 842 was impaired.

## **Reconciliation of statement of financial performance to budget**

21. In accordance with GRAP1, Presentation of financial statements, where the financial statements and the budget are not on the same basis of accounting, reconciliation between the statement of financial performance and the budget shall be included in the financial statements. The required reconciliation has been disclosed in note 36 to the financial statements; however the net deficit per the financial statements does not reconcile with the budget by an amount of R6 465 212.

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

22. In accordance with the PAA and in terms of General Notice 1111 of 2010, issued in Government Gazette 33872 of 15 December 2010, I include below my findings on the annual performance report as set out on pages 85 to 103 and material non-compliance with laws and regulations applicable to the public entity.

## **Predetermined objectives**

### **Usefulness of information**

23. The following criteria were used to assess usefulness of information:
- Measurability: The indicators are well defined and/or verifiable and targets are specific, and/or measurable, and/or time bound.
24. The following audit findings relate to the above criteria:

### **Planned and reported targets are not specific and measurable**

For the selected objectives, 29% of the planned and reported targets were not specific in clearly identifying the nature and the required level of performance;

For the selected objectives, 24% of the planned and reported targets were not measurable in identifying the required performance.

### **Planned and reported indicators are not well defined**

For the selected objectives, 33% of the planned and reported indicators were not clear, as unambiguous data definitions were not available to allow for data to be collected consistently.

### **Planned and reported indicators are not verifiable**

For the selected objectives valid performance management processes and systems that produce actual performance against the planned indicators do not exist for 34% of the indicators.

## **Reliability of information**

25. The following criteria were used to assess reliability of information:
- Validity: The reported performance did occur and does pertain to the entity.
  - Accuracy: The amounts, numbers and other data relating to reported actual performance have been recorded and reported appropriately.
  - Completeness: All actual results and events that should have been recorded have been included in the reported performance information.
26. The following audit findings relate to the above criteria:

**The validity, accuracy and completeness of reported performance against indicators could not be confirmed as inadequate supporting source information was provided**

For the selected objectives the validity, accuracy and completeness of 26% of the reported indicators could not be established as sufficient appropriate audit evidence and/or relevant source documentation could not be provided.

## **Compliance with laws and regulations**

### **Strategic planning and performance management**

27. The accounting authority did not submit the proposed strategic plan to the executive authority for approval at least six months before the start of the financial year of the designated department, or another time period as agreed to between the executive authority and the public entity in contravention of the requirements of Treasury Regulations (TR) 30.1.1.
28. The accounting authority did not finalise and submit a strategic plan to the relevant executive authority on or before 1 April as required by TR 30.1.2.

### **Budgets**

29. The public entity could not provide sufficient appropriate audit evidence that the accounting authority submitted a budget of estimated revenue and expenditure for that financial year, for approval by the executive authority responsible for that public entity, at least six months before the start of the financial year of the department designated in terms of subsection (2) or another period agreed to between the executive authority and the public entity, as per the requirements of PFMA section 53(1).

### **Annual financial statements**

30. The accounting authority submitted financial statements for auditing that were not prepared in all material aspects in accordance with generally accepted accounting practice and supported by full and proper records as required by section 55(1)(a) and (b) of the PFMA. Certain material misstatements identified by the Auditor-General South Africa with regards to prior period error disclosures, directors emoluments disclosure, going concern disclosure, cash flow statement disclosures, trade and other payables, trade and other receivables, expenditure and revenue were subsequently corrected, however the uncorrected material misstatements resulted in the financial statements receiving an adverse audit opinion in contravention of section 55(2)(a).

### **Audit committees**

31. The accounting authority did not establish an audit committee as a sub-committee of the accounting authority as required by TR 27.1.1.

### **Asset management**

32. The accounting authority did not exercise utmost care to ensure reasonable protection and safeguarding of the assets and records of the public entity as required by section 50(1)(a) and 51(1)(c) of the PFMA

## **INTERNAL CONTROL**

33. In accordance with the PAA and in terms of General Notice 1111 of 2010, issued in Government Gazette 33872 of 15 December 2010, I considered internal control relevant to my audit, but not for the purpose of expressing an opinion on the effectiveness of internal control. The matters reported below are limited to the significant deficiencies that resulted in the basis for the adverse opinion, the findings on the annual performance report and the findings on compliance with laws and regulations included in this report.

### **Leadership**

#### *Implementation of policies and procedures*

34. The public entity did not establish and communicate policies and procedures to enable and support understanding and execution of internal control objectives, processes, and responsibilities.

#### *Oversight responsibility regarding reporting and compliance*

35. The public entity did not exercise oversight responsibility regarding financial and performance reporting and compliance and related internal controls.

## Financial and performance management

### *Adoption of accounting policies/accounting estimates*

36. The public entity did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.

Non compliance with Treasury Regulations in terms of supply chain management.

### *Availability of expected information*

37. The public entity did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting.

Documents and records to support compliance with laws and regulations are not properly filed and easily retrievable, and are not available for audit purposes.

### *Controls over daily and monthly processing and reconciliation of transactions*

38. The public entity did not implement controls over daily and monthly processing and reconciling of transactions.

Reconciliations for the group collection authorities are not prepared on a monthly basis to substantiate their balances.

## Governance

### *Audit Committee*

39. The public entity did not ensure that the audit committee promotes accountability and service delivery through evaluating and monitoring responses to risks and providing oversight over the effectiveness of the internal control environment, including financial and performance reporting and compliance with laws and regulations.

The accounting authority did not ensure that the public entity complies with the Treasury Regulations relating to establishment of an audit committee.

## OTHER REPORTS

### *Investigations*

40. An investigation was conducted by an independent consulting firm on request from the executive authority. The investigation was initiated based on the allegation of possible irregular, unauthorised, or fruitless and wasteful expenditure. The investigation resulted in the suspension of six employees and criminal proceedings being instituted against one employee. The legal proceedings are still in progress.

*Auditor-General*

Pretoria

July 2010



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

# Road Traffic Management Corporation Annual Financial Statements for the year ended 31 March 2011

## 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 2011. 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. The Board has since been dissolved and the Acting CEO has been appointed as the Accounting Authority in terms of section 49 of the PFMA.

### 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 R73,6 million (2010: R83,6 million). The operating costs amounted to R162 million (2010: R265 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 and appointed Mr. Collins Letsoalo as the Accounting Authority in terms of section 49 of the Public Finance Management Act.

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 Corporation is not aware of any 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 is the principal bankers of the Corporation.

# Road Traffic Management Corporation Annual Financial Statements for the year ended 31 March 2011

## Accounting Authority's Report

### 6. Auditors

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

### 7. Directors

The Corporation had no Board of Directors for the year ending 31 March 2011 as the Board was dissolved in April 2010.

### 8. Secretary

M Kumalo is the Company Secretary of the Corporation.

### 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 Make Roads Safe Campaign.

### 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.

Furthermore, the Corporation entered into an agreement with SANRAL to provide law enforcement on toll roads and to work with Transnet on level crossings.

### 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. The RTIA has been scheduled effective from the 1st of April 2010 and have compiled its own set of the annual financial statements.

### 14. Going Concern

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. Even though the Corporation has reported a net deficit and a state of technical insolvency, there are government grants allocated to the Corporation for the next three years, thus the Corporation will continue to exist albeit on a limited scope. The Corporation has projected its expenditure in accordance with the approved allocation. Furthermore the Corporation will continue to pursue other sources of funding including the request for additional funding in order to fully achieve its mandate.

**Road Traffic Management Corporation**  
**Annual Financial Statements for the year ended 31 March 2011**

**Statement of Financial Position as at 31 March 2011**

	NOTES	2011 R	2010 R restated
<b>ASSETS</b>			
<b>Current Assets</b>			
Deposits	2	1 503 457	1 108 422
Trade and Other Receivable	3	183 427 294	161 175 410
Inventory	4 & 12	98 536	102 436
Non-current assets held for sale	5	-	88 000
Cash and cash equivalents	6	74 159 585	106 121 680
		<b>259 188 872</b>	<b>268 595 948</b>
<b>Non-current Assets</b>			
Property, Plant and equipment	7	10 010 490	15 164 993
Intangible assets	8	9 739 192	67 659 336
		<b>19 749 682</b>	<b>82 824 329</b>
		<b>278 938 554</b>	<b>351 420 277</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and Other payables	9	452 106 801	443 908 128
Provisions	10	1 749 558	1 675 114
		<b>453 856 359</b>	<b>445 583 242</b>
		<b>453 856 359</b>	<b>445 583 242</b>
Accumulated Deficit		(174 917 805)	(94 162 965)
		<b>278 938 554</b>	<b>351 420 277</b>

**Statement of Financial Performance for the year ended 31 March 2011**

	NOTES	2011 R	2010 R restated
Grant Income	15	73 619 000	83 603 000
AARTO Infringement fees	16	883 608	14 904 018
Other Income	17	3 797 355	1 273 525
Operating Expenses	18	(161 731 068)	(265 548 163)
<b>Operating Deficit</b>		<b>(83 431 105)</b>	<b>(165 767 620)</b>
Finance Revenue	19	2 839 475	2 991 399
Finance Costs	20	(163 211)	(82 719)
<b>Deficit for the year</b>		<b>(80 754 840)</b>	<b>(162 858 940)</b>

**Road Traffic Management Corporation**  
**Annual Financial Statements for the year ended 31 March 2011**

**Statement of Changes in Net Assets as at 31 March 2011**

	NOTES	Accumulated Surplus / (deficit)	Total net assets
		R	R
Balance as at 01 April 2009 as previously stated		89 721 623	89 721 623
Prior year error adjustment	11	(21 082 466)	(21 082 466)
Prior year error adjustment	11	56 818	56 818
<i>Restated balance as at 1 April 2009</i>		<b>68 695 975</b>	<b>68 695 975</b>
Deficit for the year (as restated)		(162 858 940)	(162 858 940)
<i>Restated as at 1 April 2010</i>		<b>(94 162 965)</b>	<b>(94 162 965)</b>
Deficit for the year		(80 754 840)	(80 754 840)
<i>Balance as at 31 March 2011</i>		<b>(174 917 805)</b>	<b>(174 917 805)</b>

**Cash Flow Statement for the year ended 31 March 2011**

	NOTES	2011 R	2010 R restated
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		536 931 453	381 132 656
Payments		(570 827 444)	(334 746 478)
Cash generated from operations	23	(33 895 991)	46 386 178
Finance revenue	19	2 839 475	2 991 399
Finance costs	20	(163 211)	(82 719)
<i>Net cash from operating activities</i>		<b>(31 219 727)</b>	<b>49 294 858</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment	7	(715 371)	(6 977 190)
Purchase of intangible assets	8	(566 752)	(8 268 896)
Proceeds on disposal of assets		539 755	-
<i>Net cash from investing activities</i>		<b>(742 368)</b>	<b>(15 246 086)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<i>Net cash from financing activities</i>		-	-
<b>TOTAL CASH MOVEMENT FOR THE YEAR</b>		<b>(31 962 095)</b>	<b>34 048 772</b>
Cash at the beginning of the year		106 121 680	72 072 908
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	6	<b>74 159 585</b>	<b>106 121 680</b>

# Road Traffic Management Corporation

## Annual Financial Statements for the year ended 31 March 2011

### 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 standard setters, as identified by the ASB on an annual basis. Those relevant to the RTMC are listed below:

<b>TITLE OF STANDARD</b>	<b>STANDARD</b>
GRAP 1	Presentation of Financial Statements
GRAP 2	Cash Flow Statements
GRAP 3	Accounting Policies, Changes in Accounting Estimates and Errors
GRAP 4	The Effects of Changes in Foreign Exchange Rates
GRAP 5	Borrowing Costs
GRAP 9	Revenue from Exchange Transactions
GRAP 12	Inventories
GRAP 13	Leases
GRAP 14	Events after the Reporting Date
GRAP 17	Property Plant and Equipment
GRAP 19	Provisions, Contingent Liabilities and Contingent Assets
GRAP 21	Impairment of non-cash generating assets
GRAP 100	Non-Current Assets held for sale and Discontinued operations
GRAP 102	Intangible Assets
IPSAS 20	Related Party Disclosures
IFRS 7	Financial Instruments: Disclosures
IAS 19	Employee Benefits
IAS 32	Financial Instruments: Presentation
IAS 39	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.

# Road Traffic Management Corporation

## Annual Financial Statements for the year ended 31 March 2011

### Accounting Policies (continued)

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

The following standards and amendments to standards have been issued but are not yet fully effective:

STANDARD	SUMMARY AND IMPACT	EFFECTIVE DATE
GRAP 18 – Segment Reporting	<p>This standard establishes principles for reporting financial information by segments.</p> <p>The impact on the financial results and disclosure is considered to be minimal.</p>	<p>Issued by the ASB – March 2005</p> <p>Effective date - To be determined by the Minister of Finance</p>
GRAP 21 – Impairment of Non-cash-generating Assets	<p>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.</p>	<p>Issued by the ASB – March 2009</p> <p>Effective date - To be determined by the Minister of Finance</p>
GRAP 23 – Revenue from Non-exchange Transactions	<p>This standard prescribes the requirements for the financial reporting of revenue from non-exchange (grants and transfer payments transactions).</p> <p>The impact on the financial results and disclosure is considered to be minimal.</p>	<p>Issued by the ASB – February 2008</p> <p>Effective date - To be determined by the Minister of Finance</p>
GRAP 24 – Presentation of Budget Information in the Financial Statements	<p>This standard prescribes the requirements for the reconciliation of the budget information and actual expenditure.</p> <p>The impact on the financial results and disclosure is considered to be minimal.</p>	<p>Issued by the ASB – December 2006</p> <p>Effective date - To be determined by the Minister of Finance</p>
GRAP 25 – Employee Benefits	<p>The standard prescribes the accounting treatment and disclosure for employee benefits.</p> <p>The impact on the financial results and disclosure is considered to be minimal.</p>	<p>Issued by the ASB – November 2009</p> <p>Effective date - To be determined by the Minister of Finance</p>
GRAP 26 - Impairment of Cash-generating Assets	<p>This standard prescribes the procedures to determine whether a cash generating asset is impaired and to ensure that impairment losses are recognised.</p> <p>The impact on the financial results and disclosure is considered to be minimal.</p>	<p>Issued by the ASB – March 2009</p> <p>Effective date - To be determined by the Minister of Finance</p>
GRAP 104 – Financial Instruments	<p>This standard establishes principles for recognising, measuring, presenting and disclosing financial instruments.</p> <p>The impact on the financial results and disclosure is considered to be minimal.</p>	<p>Issued by the ASB – October 2009</p> <p>Effective date - To be determined by the Minister of Finance</p>

**Road Traffic Management Corporation**  
**Annual Financial Statements for the year ended 31 March 2011**

**Accounting Policies (continued)**

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>o Presentation of finance cost</li> <li>o Amendment dealing with improving disclosures of financial instruments</li> <li>o 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 2011 but can be applied. .
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>o Curtailments and negative past service cost</li> <li>o Plan administration costs</li> <li>o Replacement of term “fall due”</li> <li>o 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 2011 but can be applied.

## Accounting Policies (continued)

STANDARD	SUMMARY AND IMPACT	EFFECTIVE DATE
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 2011 but can be applied.
Amendment to IAS 39 – Financial Instruments: Recognition and Measurement	<ul style="list-style-type: none"> <li>o Reclassification of derivatives into or out of the classification of at fair value through profit or loss</li> <li>o Designating and documenting hedges at the segment level</li> <li>o 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 2011 but can be applied.
Amendment to IAS 39 – Financial Instruments: Recognition and Measurement	<p>Clarifies two hedge accounting issues:</p> <ul style="list-style-type: none"> <li>o Inflation in a financial hedged item</li> <li>o 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>o Treating loan prepayment penalties as closely related embedded derivatives</li> <li>o Scope exemption for business combination contracts</li> <li>o 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

# Road Traffic Management Corporation

## Annual Financial Statements for the year ended 31 March 2011

### Accounting Policies (continued)

#### 1.3 Presentation and functional currency

These annual financial statements are presented in South African currency.

#### 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.

# Road Traffic Management Corporation

## Annual Financial Statements for the year ended 31 March 2011

### Accounting Policies (continued)

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

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.

# Road Traffic Management Corporation

## Annual Financial Statements for the year ended 31 March 2011

### Accounting Policies (continued)

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

An entity shall assess at each reporting date whether there's any indication that an asset may be impaired. If any such indication exists, the entity shall estimate the recoverable service amount of the asset. 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 rate method. The RTMC has not classified any of its financial instruments into this category.

# Road Traffic Management Corporation

## Annual Financial Statements for the year ended 31 March 2011

### Accounting Policies (continued)

#### **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 rate 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 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 income.

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 rate 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.

# Road Traffic Management Corporation

## Annual Financial Statements for the year ended 31 March 2011

### Accounting Policies (continued)

#### 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 rate 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 collection fees:**

Revenue from AARTO notice fees is recognised as revenue at 3% of the value of infringements collected by the RTMC.

#### 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.

## 1.18 Inventories

Inventory comprise of finished goods and is valued at the lower of cost and net realizable value. Cost is assigned on the first in first out (FIFO) basis.

## Notes to the Annual Financial Statements

### 2. Deposits

	2011 R	2010 R
Cash Deposits	1 503 457	1 108 422

The amount relates to deposits paid on leased premises. Amounts of R900 422 and R603 035 were paid to Mohlaleng Investment Holdings and M&T Developments respectively to enter into lease agreements for rental of office accommodation. The lease with Mohlaleng commenced on the 1st August 2008 and was due to expire on the 31st of January 2020. The contract was subsequently terminated due to Mohlaleng's failure to perform to the terms and conditions of the contract and the premises were vacated on the 31st December 2010. The lease term with M&T Developments commenced on the 1st of January 2011 and will expire on the 31st December 2014.

### 3. Trade and other receivables

eNaTIS transaction fees due	125 219 767	154 601 136
Prepayments	440 915	405 229
Sundry receivables	478 960	324 692
Receivables - AARTO infringement fees (Collecting Authority)	30 772 759	5 844 353
RTIA Debtor	7 343 659	-
JMPD Debtor	8 344 423	-
TMPD Debtor	10 826 811	-
<b>TOTAL</b>	<b>183 427 294</b>	<b>161 175 410</b>

### 4. Inventory

Inventory consists of stationery and consumables.

Opening Balance	102 436	-
Purchases	1 629 190	2 753 583
Less Issues	(1 633 090)	(2 651 147)
<b>Inventory on hand (See note no.12)</b>	<b>98 536</b>	<b>102 436</b>

### 5. Non-current assets held for sale

<i>Non-current assets held for sale</i>		
Opening balance	88 000	-
Motor Vehicles sold or written off (2011)	(88 000)	88 000
<b>Closing Balance</b>	<b>-</b>	<b>88 000</b>

### 6. Cash and cash equivalents

Cash and cash equivalents consist of:

Petty cash	1 125	3 032
Cash at bank	3 354 310	38 085 681
AARTO current/call accounts	55 285 149	45 471 678
eNaTIS current/call accounts	15 519 001	22 561 289
	<b>74 159 585</b>	<b>106 121 680</b>

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

**Road Traffic Management Corporation**  
**Annual Financial Statements for the year ended 31 March 2011**

**Notes to the Annual Financial Statements (continued)**

**7. Property, plant and equipment**

<b>DESCRIPTION</b>	<b>2011</b>			<b>2010</b>		
	<i>Cost valuation R</i>	<i>Accumulated depreciation R</i>	<i>Carrying Value R</i>	<i>Cost valuation R</i>	<i>Accumulated depreciation R</i>	<i>Carrying Value R</i>
Leasehold Improvements	3 117 147	(3 092 606)	24 541	3 092 606	(2 121 135)	971 471
Furniture & fixtures	3 787 566	(2 665 750)	1 121 816	3 660 234	(2 041 732)	1 618 502
Motor vehicles	3 575 618	(1 773 101)	1 802 517	5 206 663	(2 496 535)	2 710 128
Office equipment	884 569	(565 562)	319 007	785 917	(356 457)	429 460
Computer equipment	15 232 980	(8 490 371)	6 742 609	13 731 874	(4 296 441)	9 435 433
<b>TOTAL</b>	<b>26 597 880</b>	<b>(16 587 390)</b>	<b>10 010 490</b>	<b>26 477 294</b>	<b>(11 312 300)</b>	<b>15 164 994</b>

**Reconciliation of property, plant and equipment 2011**

<b>DESCRIPTION</b>	<i>Opening Balance R</i>	<i>Additions R</i>	<i>Transfers R</i>	<i>Depreciation R</i>	<i>Disposal R</i>	<i>Total R</i>
Leasehold Improvements	971 471	24 541	-	(971 470)	-	24 541
Furniture & fixtures	1 618 502	50 008	77 324	(624 018)	-	1 121 816
Motor vehicles	2 710 128	-	-	(810 300)	(97 312)	1 802 517
Office equipment	429 459	98 652	-	(209 105)	-	319 007
Computer equipment	9 435 433	542 170	1 336 624	(4 518 782)	(52 835)	6 742 609
<b>TOTAL</b>	<b>15 164 994</b>	<b>715 371</b>	<b>1 413 948</b>	<b>(7 133 676)</b>	<b>(150 147)</b>	<b>10 010 490</b>

**Reconciliation of property, plant and equipment 2010**

<b>DESCRIPTION</b>	<i>Opening Balance R</i>	<i>Additions R</i>	<i>Depreciation R</i>	<i>Disposal R</i>	<i>Total R</i>
Leasehold Improvements	2 914 413	-	(1 942 942)	-	971 471
Furniture & fixtures	2 115 789	215 995	(713 282)	-	1 618 502
Motor vehicles	13 615 430	60 000	(580 508)	(10 384 793)	2 710 129
Office equipment	372 297	246 398	(177 147)	(12 089)	429 459
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>15 164 994</b>

**Road Traffic Management Corporation**  
**Annual Financial Statements for the year ended 31 March 2011**

**Notes to the Annual Financial Statements (continued)**

**8. Intangible assets**

<b>DESCRIPTION</b>	<b>2011</b>			<b>2010</b>		
	<i>Cost valuation R</i>	<i>Accumulated depreciation R</i>	<i>Carrying Value R</i>	<i>Cost valuation R</i>	<i>Accumulated depreciation R</i>	<i>Carrying Value R</i>
<i>Internally Developed Systems</i>						
Accident reporting system - WIP	-	-	-	57 736 347	-	57 736 347
IT Service Desk and network diagnostic system - WIP	8 186 884	-	8 186 884	8 186 884	-	8 186 884
<i>Other Software</i>						
Computer Software	3 851 870	(2 299 562)	1 552 308	3 285 117	(1 549 012)	1 736 105
<b>TOTAL</b>	<b>12 038 754</b>	<b>(2 299 562)</b>	<b>9 739 192</b>	<b>69 208 348</b>	<b>(1 549 012)</b>	<b>67 659 336</b>

**Reconciliation of intangible assets - 2011**

<b>DESCRIPTION</b>	<i>Opening Balance R</i>	<i>Additions R</i>	<i>Amortisation R</i>	<i>Disposal / Write-off R</i>	<i>Total R</i>
<i>Internally Developed Systems</i>					
Accident reporting system - WIP	57 736 347	-	-	(57 736 347)	-
IT Service Desk and network diagnostic system - WIP	8 186 884	-	-	-	8 186 884
<i>Other Software</i>					
Computer Software	1 736 105	566 752	(750 549)	-	1 552 308
<b>TOTAL</b>	<b>67 659 336</b>	<b>566 752</b>	<b>(750 549)</b>	<b>(57 736 347)</b>	<b>9 739 192</b>

**9. Trade and other payables**

Creditors and accruals	12 269 079	30 068 144
Department of Transport (Operating Account)	213 758 771	221 127 399
SARS (PAYE Liability)	-	116 349
Accrued Employee costs	2 259 237	1 915 875
Lease smoothing liability (refer note 13)	357 252	49 606
Department of Transport (eNaTIS transaction fees)	125 219 767	154 601 136
AARTO fines and penalties	79 409 696	36 029 619
RTIA Creditor	10 488 576	-
SAPO Creditor	8 344 423	-
<b>TOTAL</b>	<b>452 106 801</b>	<b>443 908 128</b>

**Road Traffic Management Corporation  
Annual Financial Statements for the year ended 31 March 2011**

**Notes to the Annual Financial Statements (continued)**

**10. Provisions**

**Reconciliation or provisions - 2011**

	<i>Opening Balance R</i>	<i>Additions R</i>	<i>Utilised during the year R</i>	<i>Total R</i>
Service Bonus (13th Cheque)	1 027 554	919 477	(1 059 703)	887 328
Performance Bonus	647 560	214 670	-	862 230
	<b>1 675 114</b>	<b>1 781 707</b>	<b>(1 059 703)</b>	<b>1 749 558</b>

**Reconciliation or provisions - 2010**

	<i>Opening Balance R</i>	<i>Additions R</i>	<i>Utilised during the year R</i>	<i>Total R</i>
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>1 446 551</b>	<b>1 621 538</b>	<b>(1 466 551)</b>	<b>1 675 114</b>

**11. Prior year error**

*2011  
R*

*2010  
R*

Some expenses relating to the 2009/10 financial year were incorrectly excluded from the financial statements of the previous financial year. This expenditure relates to various expenditure line items. The effect of the prior year error on the annual financial statements of 2010/11 is as follows:

	<i>2011 R</i>	<i>2010 R</i>
<b>Statement of Financial Position</b>		
- Decrease in payables	-	(2 012 683)
Effect on the opening accumulated funds as at 1 April 2009	-	(56 818)
<b>Statements of Financial Performance</b>		
Decrease in operating expenditure	-	1 955 865

The Corporation was performing administrative functions on behalf of the RTIA and accounted for infringement revenue accrued from the Johannesburg Metro Police Department (JMPD) relating to the discounted portion of the infringement paid after 32 days. The financial information was obtained from the JMPD's local contravention register and JMPD has since disputed the report and indicated that they have not received discounted portion of the infringements when infringers pay after 32 days. The effect of the prior year error on the annual financial statements of 2010/11 is as follows:

**Road Traffic Management Corporation**  
**Annual Financial Statements for the year ended 31 March 2011**

**Notes to the Annual Financial Statements (continued)**

	<i>2011</i> <i>R</i>	<i>2010</i> <i>R</i>
<b>Statement of Financial Position</b>		
- Decrease in receivables	-	98 732 722
Effect on the opening accumulated funds as at 1 April 2009	-	(21 082 466)
<b>Statements of Financial Performance</b>		
Decrease in AARTO infringement fees	-	(77 650 256)

The Corporation had various transactions that were not recorded or erroneously recorded in the prior year period. The effect of the prior year error on the annual financial statements of 2010/11 is as follows:

<b>Statement of Financial Position</b>		
- Increase in payables	-	154 101
- Decrease in payables	-	(45 960)
<b>Statements of Financial Performance</b>		
- Increase in operating expenses	-	154 101
- Decrease in operating expenses	-	(45 960)

Prior year error relating to differences on eNaTIS reports (transaction fees and AARTO infringements) and fair value adjustments not reversed.

<b>Statement of Financial Position</b>		
- Increase in receivables	-	6 019 618
- Decrease in payables	-	5 021 681
<b>Statements of Financial Performance</b>		
- Decrease in finance revenue	-	1 363 038
- Decrease in finance costs	-	2 369 294

Correction of prior year error as a result of the TMPD Data Capturers updating the receipts on ENaTis.

<b>Statement of Financial Position</b>		
- Decrease in receivables	-	5 934 338
- Decrease in payables	-	5 934 338

**Road Traffic Management Corporation**  
**Annual Financial Statements for the year ended 31 March 2011**

**Notes to the Annual Financial Statements (continued)**

**12. Change in accounting policy and estimates**

**12.1 Change in accounting policy**

*2011*  
*R*                      *2010*  
*R*

The Corporation changed its accounting policy during the financial year with respect to the treatment of inventory. In the previous periods, inventory was treated as an expense in the year in which it was procured. The Corporation now accounts for inventory on hand as current assets using the FIFO method.

The inventory on hand recognised as expense in 2010 was adjusted in 2010/11 financial year in accordance with the relevant provisions of GRAP 3. There are no adjustments in the current financial year.

**Statement of net assets**

Increase in Accumulated Surplus	-	102 436
---------------------------------	---	---------

**Statement of Financial Assets**

Increase in current assets - Inventory	98 536	(102 436)
----------------------------------------	--------	-----------

**13. 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 Fairie Glen held with M&T Developments, and the rental of the photocopy machine held with Konica Minolta and Nashua.

**14. Accrued Employee Cost**

<i>Leave</i>		
Opening Balance	1 915 875	1 691 225
Utilization of provisions during the year	(1 915 875)	(1 691 255)
Accruals made during the year	2 259 236	1 915 875
<i>Closing Balance</i>	<b>2 259 236</b>	<b>1 915 875</b>

**15. Grant Income**

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

Government grant income	73 619 000	83 603 000
	<b>73 619 000</b>	<b>83 603 000</b>

**Road Traffic Management Corporation**  
**Annual Financial Statements for the year ended 31 March 2011**

**Notes to the Annual Financial Statements (continued)**

**16. AARTO Infringements Collection 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 RTMC collects infringement fees on behalf of RTIA and is suing authorities and charge 3% collection fees as per the AARTO regulations. RTIA was scheduled with effect from the 1st April 2010 and therefore recognise its revenue and expenses.

	<i>2011</i> <i>R</i>	<i>2010</i> <i>R</i>
Collection Agency fee- 3% fee	883 608	735 009
Discount Charge - Infringement fees	-	11 607 314
Courtesy fees	-	2 256 915
Enforcement fees	-	298 120
Representation fees	-	3 000
Partial Penalty fees	-	3 360
Revocation fees	-	300
	<u>883 608</u>	<u>14 904 018</u>

**17. Other Income**

Sundry Income	445 950	62 275
Tender fees	75 000	158 500
Sponsorship - Traffic trainees	2 996 405	-
Other Sponsorships	280 000	1 052 750
	<u>3 797 355</u>	<u>1 273 525</u>

**18. Operating expenditure**

Operating expenditure of R161 731 068 (2010: R265 548 163) mainly represent the following items:

Depreciation, amortisation and impairment	7 884 225	6 516 230
Lease rentals on operating lease	7 645 079	4 387 788
Projects - Appropriation	14 222 951	55 706 218
Projects - eNaTIS	-	2 136 603
Projects - AARTO	707 296	93 205 118
Salaries and wages	59 072 342	53 252 158
Assets write-off & intangible assets retired	48 565 689	27 746 014
Impairment of assets	7 824 842	-

**Road Traffic Management Corporation**  
**Annual Financial Statements for the year ended 31 March 2011**

**Notes to the Annual Financial Statements (continued)**

<b>19. Finance revenue</b>	<i>2011</i> <i>R</i>	<i>2010</i> <i>R</i>
<i>Interest revenue</i>		
Interest received	1 108 490	304 654
Fair value adjustments	1 730 985	2 686 745
	<b>2 839 475</b>	<b>2 991 399</b>

<b>20. Finance Costs</b>		
Interest	163 211	82 719
	<b>163 211</b>	<b>82 719</b>

<b>21. Staff Costs</b>		
Salaries and Wages	59 072 342	53 363 192

**22. Staff Turnover**

During the current financial year RTMC retained 135 (2010:145) staff members.

**23. Cash generated from operations**

<b>Deficit for the year</b>	(80 754 840)	(162 858 940)
<i>Adjustment for:</i>		
Depreciation on property, plant and equipment	7 133 676	5 769 483
Finance revenue	(1 108 490)	(304 654)
Finance costs	163 211	82 719
Profit on disposal of assets	(445 950)	-
Amortisation	750 549	746 747
Increase in provisions	74 444	208 563
Fair value adjustments	(1 730 985)	(2 686 745)
Asset written off and impairment	56 390 532	10 433 315
Bad debts written off	472 850	-
<i>Changes in working capital</i>		
Trade and Other receivables	(21 222 025)	(73 563 889)
Deposits	(603 035)	-
Asset held for sale	88 000	-
Inventory	3 900	(102 436)
Trade and Other payables	6 892 172	268 662 015
<b>Cash generated from operations</b>	<b>(33 895 991)</b>	<b>46 389 178</b>

**Road Traffic Management Corporation**  
**Annual Financial Statements for the year ended 31 March 2011**

**Notes to the Annual Financial Statements (continued)**

**24. Directors emoluments**

**Executive**

**2011**

<b>NAME</b>	<i>Basic</i> <b>R</b>	<i>Other Allowances</i> <b>R</b>	<i>Other Benefits</i> <b>R</b>	<i>Total</i> <b>R</b>
C Letsoalo (Acting CEO)	620 208	413 472	14 595	1 048 275
R Rakgoale (CEO (Suspended))	775 007	581 255	77 731	1 433 993
S Manamela (CFO (Resigned))	593 113	379 601	468 990	1 441 704
A N Maepa (Acting CFO)	502 452	310 848	24 120	837 420
A Lucen (SEM (Suspended))	620 208	421 690	-	1 041 898
H Moyana (SEM (Suspended))	593 113	317 902	79 337	990 352
T Tsholetsane (SEM)	593 113	339 901	62 550	995 564
G Botha (SEM)	593 113	395 408	-	988 521
H Basheng (CIO (Resigned))	480 504	280 294	300 420	1 061 218
P Lebaka (Acting CIO)	168 036	112 022	-	280 058
	5 538 867	3 552 393	1 027 743	10 119 003

**2010**

<b>NAME</b>	<i>Basic</i> <b>R</b>	<i>Other Allowances</i> <b>R</b>	<i>Other Benefits</i> <b>R</b>	<i>Total</i> <b>R</b>
R Rakgoale (CEO)	732 945	56 544	695 614	1 485 103
S Manamela (CFO)	560 922	-	415 057	975 979
A Lucen (SEM)	568 546	-	427 911	1 014 457
H Moyana (SEM)	560 922	44 905	364 180	970 007
T Tsholetsane (SEM)	560 922	44 465	474 819	1 080 206
G Botha (SEM)	545 571	62 129	287 188	894 888
H Basheng	454 424	50 917	272 089	777 431
	4 002 252	258 960	2 936 858	7 198 071

**Non-executive**

Since the Shareholders Committee dissolved the Board of directors in April 2011, there were no payments made to the Board of directors for the year under review.

**2010**

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

**Road Traffic Management Corporation**  
**Annual Financial Statements for the year ended 31 March 2011**

**Notes to the Annual Financial Statements (continued)**

**25. Related parties**

2011  
R

2010  
R

**Related party transactions and balances**

**(a) Transactions paid on behalf of the RTMC**

Salaries - Department of Transport	31 778 766	53 363 192
------------------------------------	------------	------------

**(b) Key Management**

Salaries and short term employee benefits	10 119 003	7 198 071
-------------------------------------------	------------	-----------

**(c) Sponsorship - DOTY**

Limpopo Provincial Department	50 000	-
Western Cape Provincial Department	50 000	-
KwaZulu Natal Provincial Department	50 000	-
Eastern Cape Provincial Department	50 000	-

**Related party balances**

**(d) eNaTIS transaction fees**

eNaTIS transaction fees debtors - Provincial Departments	(125 219 767)	(154 601 136)
eNaTIS transaction fees payables - Department of Transport	125 219 767	154 601 136
eNaTIS transaction fees debtors/(creditor) - Department of Transport	(213 758 771)	(221 127 399)

**(e) AARTO fines and penalties**

AARTO fine and penalties - Issuing authorities	30 772 759	5 844 353
AARTO fine and penalties - Issuing authorities	(79 409 696)	(36 029 619)

**(f) Department of Transport: Salaries**

	-	8 851 859
--	---	-----------

**(g) Board members remunerations**

E Du Toit	-	5 752
MF Mafani	-	10 595
A Mawela	-	26 866
JD Sampson	-	22 525
H van Tonder	-	6 293
<b>TOTAL</b>	-	<b>72 032</b>

**(h) Third party balances and RTIA administrative functions**

SARS - payment of taxes, skills levy and UIF	(963 551)	-
RTIA debtor - administrative functions	7 343 659	-
RTIA creditor - administrative functions	(10 488 576)	-
SAPO Payable - Postage of infringements	(8 344 423)	-
JMPD Debtor - Postage of infringements	8 344 423	-
TMPD Debtor - postage	10 826 811	-

# Road Traffic Management Corporation

## Annual Financial Statements for the year ended 31 March 2011

### Notes to the Annual Financial Statements (continued)

#### 26. 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 funds on behalf of the Road Traffic Infringements Agency and issuing authorities relating to the management of the Administrative Adjudication of Road Traffic Offences ("AARTO") fines and penalties.

#### 27. 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 on capped leave was calculated based on the current salary levels of the employees affected. The maximum contingent liability is estimated at R 314 103 (2010: R388 651). Other contingent liability relates to assessment rates charged by the former landlord (Abreal) without the municipality invoices. The contingent liability for assessment rates amounts to R424 530. Total contingent liability for the year amounts to R738 633.

#### 28. 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.

**Road Traffic Management Corporation**  
**Annual Financial Statements for the year ended 31 March 2011**

**Notes to the Annual Financial Statements (continued)**

*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.

**Interest risk sensitivity analysis**

	<i>2011</i> <i>R</i>	<i>2010</i> <i>R</i>
<b>Interest Rate sensitivity</b>		
Interest received for the period	2 839 475	2 991 399

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 2010.

Increase of 50 basis points	141 974	149 570
Decrease of 50 basis points	(141 974)	(149 570)

*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.

**Road Traffic Management Corporation**  
**Annual Financial Statements for the year ended 31 March 2011**

**Notes to the Annual Financial Statements (continued)**

*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:

<b>Geographical Area (Provinces)</b>	<b>2011 R</b>	<b>2010 R</b>
Gauteng	48 755 790	108 579 552
Eastern Cape	7 289 512	10 453 737
Free State	10 360 530	3 810 945
KwaZulu Natal	4 493 822	4 611 711
Limpopo	17 120 278	18 598 043
Mpumalanga	21 578 951	13 306 175
Northern Cape	4 794 820	3 302 804
North West	14 162 919	23 790 308
Western Cape	7 421 031	12 140 866
Unallocated receipts	(9 833 646)	(42 629 968)
Fair value	(924 241)	(1 363 037)
<b>TOTAL</b>	<b>125 219 767</b>	<b>154 601 136</b>
<i>Major receivables of the Corporation consists of the following:</i>		
Provincial Departments of Transport	125 219 767	154 601 136
	<b>125 219 767</b>	<b>154 601 136</b>
<i>The other receivables of the Corporation consists of the following:</i>		
Prepayments	440 915	405 229
AARTO Infringements fees - receivables	30 772 759	5 844 353
Sundry receivables	478 960	324 692
RTIA debtor	7 343 659	-
SAPO debtor	8 344 423	-
TMPD debtor	10 826 811	-
	<b>183 427 294</b>	<b>161 175 410</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.

**Road Traffic Management Corporation**  
**Annual Financial Statements for the year ended 31 March 2011**

**Notes to the Annual Financial Statements (continued)**

**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**

**2011**

	<i>neither past due not impaired</i> R	<i>0-2 Months</i> R	<i>3-5 Months</i> R	<i>More than 5 Months</i> R	<i>Impaired Financial Assets</i> R	<i>Total Carrying Amount</i> R
<i>Trade and other receivables</i>	183 427 294	63 063 213	54 777 813	65 586 268	-	183 427 294
<i>Cash and cash equivalents</i>	74 159 585		-	-	-	74 159 585
<i>Deposits</i>	1 503 457		1 503 457	-	-	1 503 457
<b>TOTAL</b>	<b>259 090 336</b>	<b>63 063 213</b>	<b>56 281 270</b>	<b>65 586 268</b>	<b>-</b>	<b>259 090 336</b>

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

**2010**

	<i>neither past due not impaired</i> R	<i>0-2 Months</i> R	<i>3-5 Months</i> R	<i>More than 5 Months</i> R	<i>Impaired Financial Assets</i> R	<i>Total Carrying Amount</i> R
<i>Trade and other receivables</i>	161 175 410				-	161 175 410
<i>Cash and cash equivalents</i>	106 121 680				-	106 121 680
<i>Deposits</i>	1 108 422				-	1 108 422
<b>TOTAL</b>	<b>268 405 512</b>				<b>-</b>	<b>268 405 512</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.

**29. 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.

**Road Traffic Management Corporation**  
**Annual Financial Statements for the year ended 31 March 2011**

**Notes to the Annual Financial Statements (continued)**

**2011**

	<i>Loans and receivables</i> R	<i>Assets at fair value through profit and loss</i> R	<i>Derivative used for hedging</i> R	<i>Available for sale</i> R	<i>Total</i> R
<i>Trade and other receivables</i>	183 427 294	-	-	-	183 427 294
<i>Cash and cash equivalents</i>	74 159 585	-	-	-	74 159 585
<i>Deposits</i>	1 503 457	-	-	-	1 503 457
<b>TOTAL</b>	259 090 336	-	-	-	259 090 336

**2010**

	<i>Loans and receivables</i> R	<i>Assets at fair value through profit and loss</i> R	<i>Derivative used for hedging</i> R	<i>Available for sale</i> R	<i>Total</i> R
<i>Trade and other receivables</i>	161 175 410	-	-	-	161 175 410
<i>Cash and cash equivalents</i>	106 121 680	-	-	-	106 121 680
<i>Deposits</i>	1 108 422	-	-	-	1 108 422
<b>TOTAL</b>	268 405 512	-	-	-	268 405 512

**30. Financial liabilities by category**

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

**2011**

	<i>Liabilities at FV through Profit and loss</i> R	<i>Derivative used for hedging</i> R	<i>Other Financial liabilities</i> R	<i>Total</i> R
<i>Trade and other payables</i>	-	-	452 106 801	452 106 801

**2010**

	<i>Liabilities at FV through Profit and loss</i> R	<i>Derivative used for hedging</i> R	<i>Other Financial liabilities</i> R	<i>Total</i> R
<i>Trade and other payables</i>	-	-	443 908 128	443 908 128

**Road Traffic Management Corporation**  
**Annual Financial Statements for the year ended 31 March 2011**

**Notes to the Annual Financial Statements (continued)**

**31. Commitments**

**Authorised expenditure**

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

	<i>2011</i> <i>R</i>	<i>2010</i> <i>R</i>
Risk Management assessment and strategy	-	190 400
Employee Health and Wellness programme	148 111	19 822
Organisational Skills audit	-	6 507
Partnership to implement BPM	-	431 626
Compilation of National Training Framework	376 200	254 676
SA Road Safety Audit Guidelines & Framework	-	250 000
Accident reporting system	-	6 030 081
maintenance of Trafman system	235 069	-
IT Management solution	23 569	1 399 223
Organisational restructuring	265 976	-
Extension of after-hours call centre	-	113 886
Financials policies review	-	112 977
Pastel Evolution systems	232 586	-
Information systems support	-	127 525

*Operating leases - as lessee*

*Minimum lease payments due*

*Buildings*

-	Within one year	8 435 135	
-	Between 1 year and 5 years	27 228 610	-
-	Greater than five years	-	-
		<b>35 663 745</b>	<b>-</b>

*Equipment*

-	Within one year	545 225	532 066
-	Between 1 year and 5 years	114 341	571 617
		<b>659 566</b>	<b>1 103 683</b>

The RTMC leases its operating buildings from MT Developments commencing 1st January 2011. The monthly rentals are R687 420 with a yearly escalation of 9%. The original lease expires on 31st December 2012.

RTMC also leases three photocopy machines from Konika Minolta commencing from 1st July 2008, 1st February and 1st July 2010 respectively. The monthly rentals payables are R5 641, R9 599 and R2 863 respectively with a yearly escalation of 10%. The leases expire on 30th June 2011 and 31st January 2012 respectively. The Corporation entered into an operating lease agreement with Nashua for the lease of three copiers effective 1st June 2009. The lease rental for the machines is R23 940 per month with a yearly escalation of 15% and expires in May 2012.

**Road Traffic Management Corporation  
Annual Financial Statements for the year ended 31 March 2011**

**Notes to the Annual Financial Statements (continued)**

**32. Irregular, fruitless and wasteful expenditure**

**32.1 Irregular expenditure**

	<i>2011 R</i>	<i>2010 R</i>
Opening Balance	374 752 203	13 872 499
Charges for the year		
- Purchase of the Accident Reporting System	-	59 447 194
- Procurement of professional services without following procurement process	-	12 007 944
- 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	-	-
- Irregular lease agreement (2008/09)	15 965 074	-
- Irregular procurement of IT help desk (2008/09)	8 186 884	-
- Irregular purchase of IT Infrastructure (2008/09)	9 924 005	-
<i>Irregular expenditure</i>	<b>408 828 166</b>	<b>374 752 203</b>

**Analysis of current year's irregular expenditure**

<i>Incident</i>	<i>Disciplinary steps / criminal proceedings</i>
Irregular accommodation lease agreement entered into during 2008/09 financial year – R15 965 074	The matter was investigated by the Task Team appointed by the Minister of Transport during March 2010 and the findings and recommendations of the Task Team are still being implemented.
Irregular procurement of IT help desk during 2008/09 financial year – R8 186 884	
Irregular procurement of IT Infrastructure during 2008/09 financial year – R9 924 005	

**Analysis of previous year's irregular expenditure**

<i>Incident</i>	<i>Disciplinary steps / criminal proceedings</i>
Irregular procurement of the Accident Reporting System – R59 447 194	The matter was investigated by the Task Team appointed by the Minister of Transport during March 2010 and the findings and recommendations of the Task Team are still being implemented.
Irregular procurement of professional services – R12 007 944	
Irregular utilization of eNaTIS transaction fees – R200 581 126	
Hosting of an International Conference in excess of the budgeted funds – R5 363 377	Some of the key employees directly involved in this matter are either on suspension or left the Corporation
Payment of postage of AARTO infringements notices without a contract – R82 598 654	
Procurement of goods and services without following normal procurement processes – R881 409	Some employees who were directly involved in the processes are no longer in the employ of the Corporation. Staff within supply chain management unit were made aware of the importance of compliance.

**Road Traffic Management Corporation  
Annual Financial Statements for the year ended 31 March 2011**

**Notes to the Annual Financial Statements (continued)**

**32.2 Fruitless and Wasteful expenditure**

	<i>2011 R</i>	<i>2010 R</i>
Opening Balance	18 912 819	1 392 113
Charges for the year		
- Interest paid on overdraft	-	-
- Rental paid for unoccupied premises	-	-
- Employees paid after resignation date	-	116 573
- Interest paid on settlement of suppliers	163 211	82 770
- SARS PAYE interest and penalties	-	8 664
- Acquisition of Oracle ERP System - discontinued	-	17 312 699
- Development of the Accident Reporting System - discontinued	48 647 703	-
<i>Fruitless and Wasteful expenditure</i>	<b>67 723 733</b>	<b>18 912 819</b>

**Analysis of current year's fruitless and wasteful expenditure**

<i>Incident</i>	<i>Disciplinary steps / criminal proceedings</i>
Interest paid on settlement of supplier invoices - R163 211	Matter still being investigated
Development of the Accident Reporting System – discontinued – R48 647 703	The matter was investigated by the Task Team appointed by the Minister of Transport during March 2010 and the findings and recommendations of the Task Team are still being implemented.

**Analysis of previous year's fruitless and wasteful expenditure**

<i>Incident</i>	<i>Disciplinary steps / criminal proceedings</i>
Employees paid after resignation date – R116 573	Payroll function was previously performed at the Department of Transport and therefore no disciplinary action taken. Some over paid amounts were subsequently recovered and some written off.
Interest paid on settlement of supplier invoices - R82 770	No action taken against any staff member as key officials working on these matters have since left the Corporation.
SARS PAYE interest and penalties – R8 664	
Acquisition of Oracle ERP system discontinued – R17 312 699	The matter was investigated by the Task Team appointed by the Minister of Transport during March 2010 and the findings and recommendations of the Task Team are still being implemented

# Road Traffic Management Corporation

## Annual Financial Statements for the year ended 31 March 2011

### Notes to the Annual Financial Statements (continued)

#### 34. 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.

#### 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. The RTIA has been scheduled in accordance with the PFMA with effect from 1st April 2010 and has since prepared its own set of annual financial statements.

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

	2011 R	2010 R
<i>AARTO Infringement fees (refer to note 15)</i>	-	14 904 018
AARTO project expenditure		
- Postage of infringement notices	-	82 598 654
- Implementation of AARTO	-	2 949 354
- AARTO Learning and Training	-	5 184 382
- 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.

<i>Net deficit per the statement of financial performance</i>	(80 754 840)	(162 858 940)
Adjust for:		
- Fair value adjustments	(1 730 985)	(2 686 475)
- Write-off assets and intangible assets impaired	56 390 532	10 433 315
- Increase in provisions	74 444	208 563
- Depreciation and amortization	7 884 225	6 516 230
<b><i>Net Deficit</i></b>	<b>(18 136 624)</b>	<b>(148 387 577)</b>
- AARTO Infringement fees not included in the budget	14 904 018	
- Budgeted operational expenditure not incurred due to lack of funding	68 810 327	
<b><i>Net Deficit per approved budget</i></b>	<b>65 577 721</b>	<b>194 100 000</b>

The Corporation total budget for the year 2010/11 was R139 million comprising of operating expenses, projects funded by the appropriation funds as well as the AARTO infringements fees collected or due to the RTMC as at the 31st March 2010. Some projects which were included in the budget were not implemented due to lack of approved funding.

**Road Traffic Management Corporation**  
**Annual Financial Statements for the year ended 31 March 2011**

**Detailed Income Statement**

	Note(s)	2011 R	2010 R
<b>REVENUE</b>			
Grant Income		73 619 000	83 603 000
		<b>73 619 000</b>	<b>83 603 000</b>
AARTO infringement fees		883 608	14 904 018
Other income		3 797 355	1 273 525
Interest received		2 839 475	2 991 399
		<b>6 636 830</b>	<b>4 264 924</b>
<b>Expenses</b>		(161 731 068)	(265 548 163)
<b>Operating deficit</b>		<b>(80 591 629)</b>	<b>(162 776 221)</b>
Finance costs		(163 211)	(82 719)
<b>Deficit for the year</b>		<b>(80 754 840)</b>	<b>(162 858 940)</b>
<b>Operating expenses</b>			
Accounting fees		-	12 104
Advertising		453 023	1 931 998
Assets written-off and Intangible assets retired		56 390 532	27 746 014
Auditors remuneration		1 977 556	1 887 026
Bank Charges		35 717	28 653
Bad debts written off		472 851	-
Board fees		4 037	1 274 489
Cleaning		58 591	-
Computer expenses		2 294 525	35 748
Conferences, venues and facilities		190 549	223 922
Consulting fees		2 826 045	3 974 826
Depreciation, amortisation and impairment		7 884 224	6 516 230
Entertaining and catering		181 076	376 843
Fines and penalties		-	37 646
Furniture removal costs		-	170 976
General expenses		150 662	33 972
Insurance		108 142	443 903
Lease rentals on operating lease		7 645 079	4 387 788
Motor vehicle expenses		302 109	204 882
Postage and courier		202 564	337 104
Printing and stationery		1 821 740	2 494 375
Projects - Appropriation		14 222 951	55 706 218
Projects - eNaTIS		-	2 136 603
Projects - AARTO		707 295	94 203 146
Salaries and wages		59 072 342	53 252 158
Security		103 772	475 534
Staff training and development		434 992	622 248
Storage and warehouse		59 358	147 302
Subscription and membership fees		83 574	86 053
Telephone and faxes / Communication		1 380 988	2 489 857
Travel and accommodation		1 070 930	2 567 248
Repairs and maintenance		428 718	501 090
Recruitment costs		425 845	220 116
Software licenses		741 281	1 059 737
<b>TOTAL</b>		<b>161 731 068</b>	<b>265 548 163</b>

**Road Traffic Management Corporation  
Annual Financial Statements for the year ended 31 March 2011**

**Supplementary Schedule**

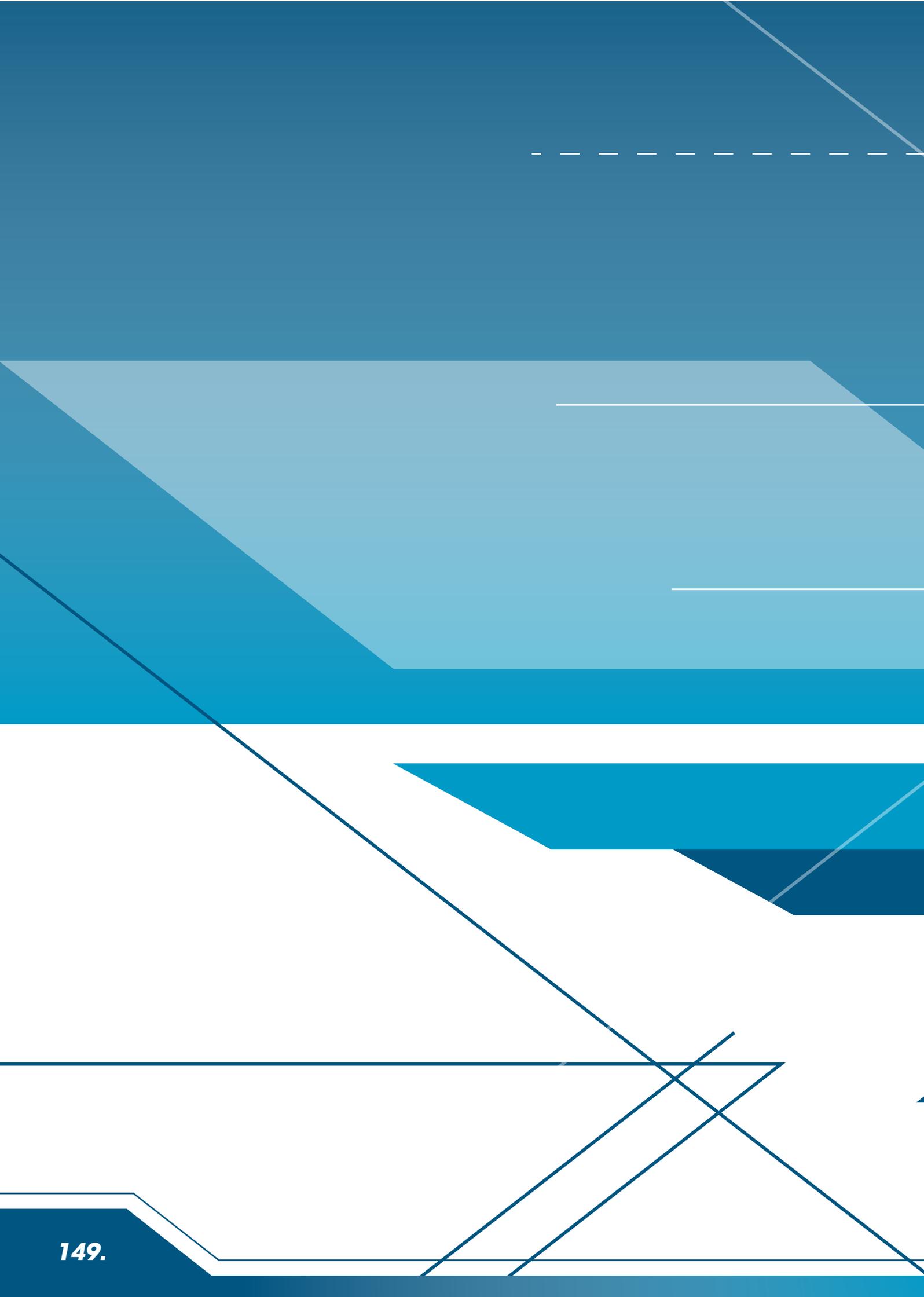
*World Cup Expenditure*

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.

	<i>Quantity</i>	<i>2011 R</i>	<i>2010 R</i>
Tickets acquired	186	-	1 386 356



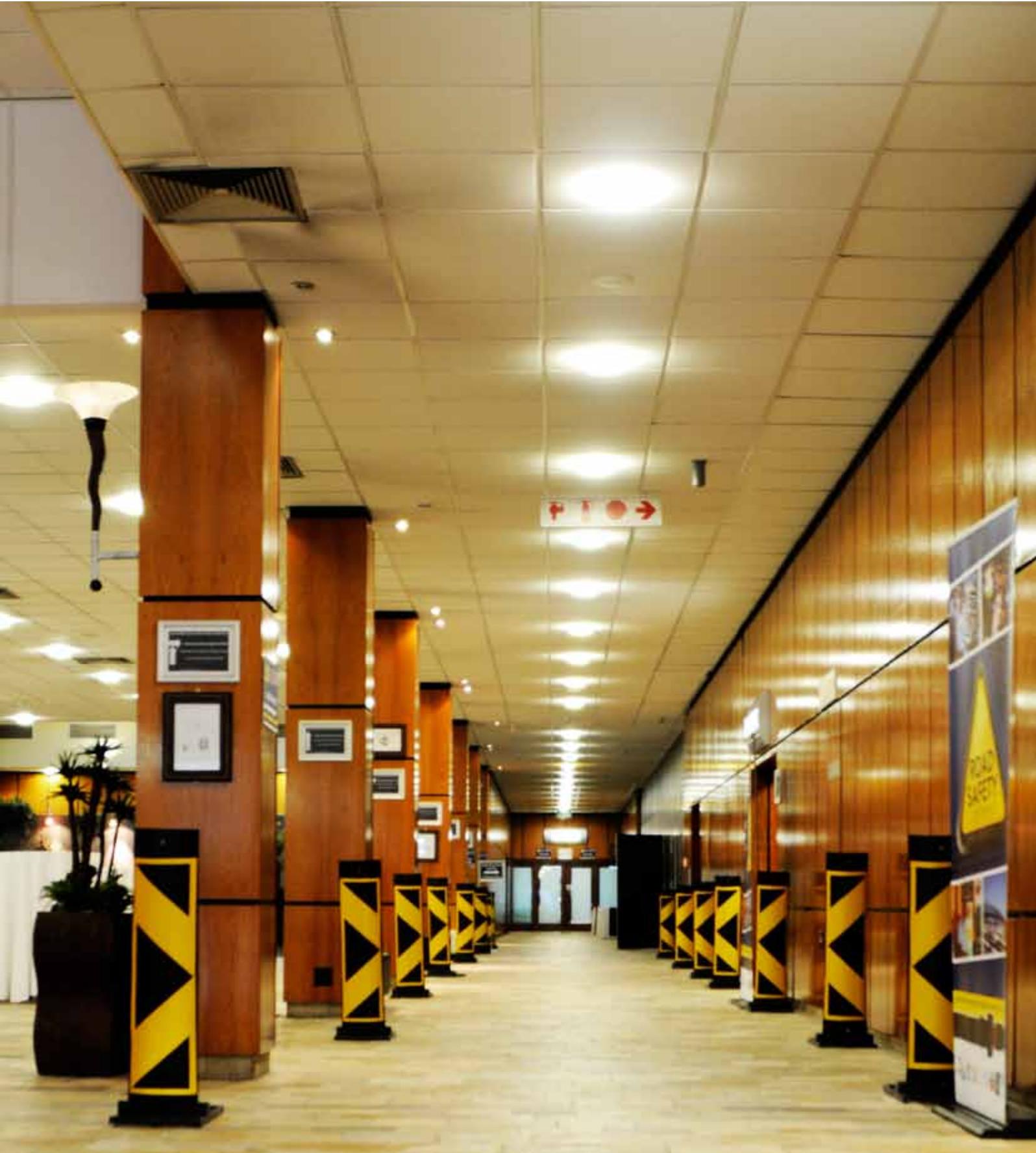
*Section 9*

Acronyms

**ACRONYMS**

AARTO	Administrative Adjudication of Road Traffic Offences
ACFE	Association of Certified Fraud Examiner
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
DoT	National Department of Transport
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 Licenses
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
IPM	
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
NFCIC	National Fatal Crash Information Centre
NLTTA	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 Positioners Council
VTS	Vehicle Testing Station



***Road Traffic Management Corporation***

Boardwalk Office Park – Phase 5  
Boardwalk Boulevard  
Faerie Glen, 0043  
Tel / 087 310 5200

RP / 89 / 2011  
ISBN: 978-0-621-40295-4