



**DEPARTMENT OF PUBLIC WORKS
UMNYANGO WEZEMISEBENZI YOMPHAKATHI
PROVINCE OF KWAZULU - NATAL ~ ISIFUNDAZWE SAKWAZULU - NATALI**

Strategic Plan 2010 - 2015



'Working together we can do more'



DEPARTMENT OF PUBLIC WORKS
STRATEGIC PLAN

For the
Fiscal years
2010-2015
(Five years beginning with 2010/2011)

PR 107/2010

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Province of KwaZulu-Natal, Republic of South Africa

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MEC FOREWORD



Ms M. Govender, MPL
MEC for Human Settlements and Public Works

South Africa is emerging from the debilitating effects of one of the worst global economic recessions in recent times. Fortunately due to our sound fiscal policies, the impact of this crisis has been somewhat mitigated. However, the effects have been nevertheless severe. Our country has lost 900 000 jobs and at least 270 000 in KwaZulu-Natal. In this context the role of Public Works in job creation through infrastructure development becomes even more critical.

In his State of the Nation address this year, The President, the Honourable Jacob Zuma called on the public service to make this a term of faster action and improved state performance. He stated that the public service is expected to comply with the vision of working harder and smarter in the building of a performance-oriented state. As the Department of Public Works we will commit to this by:

- * Improving our customer service and turn-around times for delivery;

- * Effectively using resources and the eliminating wastage to improve service delivery;
- * Ensuring the maintenance of government buildings and management of state property so that timeous maintenance obviates the incurrence of early replacement costs;
- * Improving our delivery time on projects so that costs do not get adversely affected by inflation;
- * Ensuring that our supply chain management rules and procedures are adhered to so that the customer and supplier engage in fair economic relationships where the end user gets best value;
- * Focusing on cost efficiency where we stop the practice of government being charged above market rates and being used as a source personal enrichment; and
- * Improving our productivity – where we do more with less
- * Fighting fraud and corruption

The priorities of the Department of Public Works must reflect the national priorities as enunciated by our President, the Honourable: Jacob Zuma, the provincial priorities as spelled out by the Premier of KwaZulu-Natal, Dr Zweli Mkhize and the Departmental priorities that emerge from this.

Therefore we are focused on:

- Improving the quality of basic education;
- Enhancing the health of our people;
- Making our communities safer and combating crime;
- Fostering rural development and land reform;

- Creating work opportunities; and
- Investing in local government and human settlements

Guided and informed by Government's Medium Term Expenditure Framework (MTSF), the Provincial priorities and our mandate [Public Works], has streamlined its core business in line with the 12 measurable outcomes for this term of office, 2009-2014. We have taken a view of improving and strengthening service delivery as well access to services with an intention of contributing towards achieving our long standing goal of our young democracy of a better life for all. This includes amongst other key things improving service delivery to rural areas, strengthening programmes that deliver on the plight of the poor, women, youth and people living with disabilities.

Our mandate is such that we are a service department that enables other government departments through the provision of infrastructure and property management. Discharging of our core business and responsibilities therefore significantly depends on the relationship we have with the client departments as well as their co-operation.

The department has taken into full account the imperatives of the Premier's Flagship Programme that promotes provision and access of service delivery to the citizens of the Province of KwaZulu-Natal. The departmental officials play both strategic and operational role in the implementation of this programme. Participation and involvement in this programme translates into improved service delivery and better services to the people.

In keeping with the MTSF and provincial priorities, we have aligned and prioritized our programmes to better deliver on our core business, property management and infrastructural implementation. To effectively carry out this task, we have placed on top of our agenda for the next five years an integrated planning, management and implementation on our infrastructure and property sections of the department. Essentially, we will continue to build, construct and maintain, on behalf of clients departments, social infrastructure required by our communities i.e. the schools, clinics and hospitals as well as office accommodation. At the same time the department is well oiled to discharge its responsibility to manage state properties (land and buildings) on behalf of the Provincial Government. Property management portfolio has a

significant role play in terms of transformation and economic development. This area of work will be receiving adequate attention to ensure that state properties are utilized towards the maximum benefit of the people of KwaZulu-Natal. While delivering on our core business, the department has a critical role of enhancing and building sector specific skills for both construction and property management sectors.

In line with this goal, the department's five year plan sets out clear targets to better equip and train emerging contractors through the Masakhe Emerging Contractor Development Programme. Plans to integrate this important programme with other Provincial Departments within the Economic and Infrastructure Sectors are at an advanced stage. As part of skills development and transformation within the Property Management Sectors, the Department has creatively introduced Property Incubator Programme with an intention of providing appropriate skills and also empowers the previously disadvantaged individuals. We however acknowledge the fact that more still needs to be done to transform this sector in line with the Property Charter and much will be done from the year one of the MTEF period.

Youth investment and development is taken into account through the National Youth Service Programme (NYS). This accredited programme offers both theoretical and practical experience within a period of 12 months. In addition to practical training opportunities the department has a bursary programme that caters for technical studies within the built and property management fields of study. To contribute towards rural development, a portion of these bursaries are to be awarded to qualifying students coming from rural communities.

In line with Government's plan to enhance job creation opportunities, the department has intentions of increasing labour intensive projects that are EPWP in nature. This comprises further implementation of the Izandla Ziyagezana food gardens in government vacant sites. The produce will be utilized to support the war rooms in the respective areas.

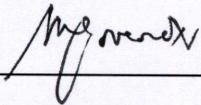
It is a known fact that this department delivers its mandate through other businesses e.g. contractors. Therefore as a stakeholder, the department will continue to engage them but also ensure that landlords are also engaged to ensure that citizens are part of the activities and programmes of government. The construction and property summits will further be used as forums for engagement with our stakeholders.

At the core of all this, is to improve the corporate image. This will be done through fighting fraud and corruption and ensure that there is enough manpower to deliver on the core business, provision of clear strategic direction and leadership in the department and strengthening financial control and improving the monitoring and evaluation mechanisms within the department.

This strategic plan is presented just under one year into the term of office of the new administration led by His Excellency, President J.G. Zuma. The President has called for this term to be a term of action, of speeding up effective service delivery. This calls for all of us, in the Public Service, to put our shoulders to the wheel and to commit ourselves to carrying out our mandate of infrastructure development and property management.

It also calls for a new type of cadre who is committed to serving the public. It calls for cadres who are dedicated, capable and who care for the needs of citizens. It calls for excellence and hard work.

The Department of Public Works makes the commitment that the operations and activities of this department will be characterised by high levels of dedication, willingness, commitment and hard work.



Executive Authority: MEC for Human Settlements and Public Works

OFFICIAL SIGN-OFF

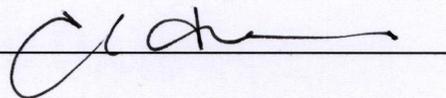
It is hereby certified that this Strategic Plan

- Was developed by the management of the KZN Department of Public Works under the guidance of the Hon MEC Mrs. M. Govender
- Takes into account all the relevant policies, legislation and other mandates for which the KZN Department of Public Works is responsible
- Accurately reflects the strategic goals and objectives which the Department of Public Works will endeavor to achieve over the period 2010/2011-2014/2015 covered by this Strategic Plan

Mr. Jeremy Paul Redfearn

Chief Financial Officer

Signature



Mr. Sikhumbuzo Douglas Gumede

Manager: Strategic Analysis

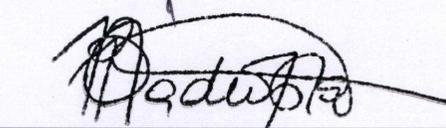
Signature



Dr. Fikisiwe Beatrice Madlopha

Accounting Officer

Signature



Hon. MEC Magesvari Govender

Executive Authority

Signature

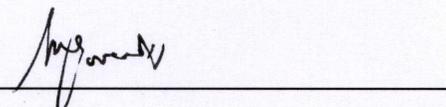


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PART A: STRATEGIC OVERVIEW

Guided by Medium Term Strategic Framework (MTSF) the departmental strategic planning process for the formulation of 2010-2015 Strategic Plan considered and integrated key national, provincial and sector policy priorities and objectives to enable the department to align and integrate its mandates and programmes to priorities of the new administration, 2009-2014. The processes primarily placed at the centre stage the critical delivery programmes and key service delivery targets. As integral part of this exercise was the proper costing of the services to be delivered. Directed by the fact that Public Works is fundamentally a service department amongst government departments that implements programmes and projects on behalf of client departments, we took into account the following key considerations that are summarised below:

- The 10 Key Policy Priorities(MTSF 2009-2014)
- The Provincial priorities as announced by Premier
- 12 measurable outcomes
- Public Works Sector Goals and Objectives as presented by National Public Works Minister
- Property Sector and Construction Sector transformation charters;
- Critical Reviews of departmental programmes and activities.

The Medium Term Strategic Framework (MTSF) takes into account the ten (10) key government policy priorities:

1. Commitment in speeding up economic growth and transform the economy to create decent work and sustainable livelihoods.
2. Introduce massive programme to build economic and social infrastructure.
3. Develop and implement a comprehensive rural development strategy linked to land and agrarian reform and food security.
4. Strengthen the skills and human resource base.
5. Improve the health profile of all South Africans.
6. Intensify the fight against crime and corruption.
7. Build cohesive, caring and sustainable communities.
8. Pursue African advancement and enhanced international co-operation.
9. Ensure sustainable resource management and use.
10. Build a developmental state, improve Public Services and strengthen democratic institutions.

As an integral part of the implementation of the aforementioned the department has considered and incorporated the 12 national measurable outcomes in its planning and implementation plans. The department has also taken into full account the imperatives of the Premier's Flagship Programme that promotes provision and access of service delivery to the citizens of the Province of KwaZulu-Natal. The departmental officials play both strategic and operational role in the implementation of this programme. Participation and involvement in this programme translates into improved service delivery and better services to the people. The strategic planning process further interrogated the relevance of the department's vision, mission and core values in relation to its stated mandate, policy priorities and achieved goals of the past five years, setting the strategic focus for the next five years (2009-2014). It was felt that the vision, mission is still relevant as directed by the departmental mandate, MTSF and provincial priorities, on infrastructural delivery, property management, rural development & food security, creation of decent jobs, contribution towards economic growth, skills development and good governance. Currently, the vision, mission and core values of the KZN Department of Public Works are as follows:

1. VISION

“A THRIVING ECONOMY THROUGH INFRASTRUCTURE DEVELOPMENT AND PROPERTY MANAGEMENT.”

2. MISSION

“WE WILL LEAD IN INFRASTRUCTURE DEVELOPMENT AND PROPERTY MANAGEMENT IN KWAZULU – NATAL”.

3. CORE VALUES

In the implementation of the five-year strategic planning period, the KwaZulu- Natal Department of Public Works will be guided by the following values:

- Batho Pele Principles : Putting people first
- The Citizens Charter : A caring government
- Good Governance : Clean governance
- Cost Effectiveness : Value for money
- Quality : We will adhere to prescribed standards
- Professionalism : We will take pride in everything we do
- Integrity : We will be honest and reliable in all our dealings
- Service Excellence : We will be proactive in responding to the needs of our clients

4. LEGISLATIVE AND OTHER MANDATES

4.1 Constitutional Mandates

Public Works is part of Public Administration that is governed by basic democratic values and principles including but not limited to promotion and maintaining high standard of professional ethics, responding to people's needs and using resources efficiently, economically and effectively as provided by section 195 of the Constitution of the Republic of South Africa. Section 40 of the Constitution that talks to principles of co-operative government and intergovernmental relations forms a critical as support department to client departments.

4.2 Legislative Mandates

Within the broad statutory mandates of government institutions, the following mandates currently guide the KZN Public Works department's core functions:

- ◆ Constitution of the Republic of South Africa, (No. 108 of 1996)
- ◆ Public Service Act, (No. 30 of 2007)
- ◆ Public Finance Management Act (No 1 of 1999)
- ◆ Government Immovable Asset Management (No. 19 of 2007)
- ◆ Local Government: Municipal Property Rates Act (No 6 of 2004)
- ◆ The Construction Industry Development Board Act, (No. 38 of 2000)

- ◆ National Building Regulations and Building Standards Act, (No. 103 of 1977)
- ◆ Occupational Health and Safety Act, (No. 85 of 1993)
- ◆ State Land Disposal Act, (No. 48 of 1961)
- ◆ Prevention of Eviction from and Unlawful Occupation of Land Act, (No. 19 of 1998)
- ◆ KwaZulu-Natal Land Administration Act, (No.3 of 2003)
- ◆ Broad Based Black Economic Empowerment Act, (No. 53 of 2004)
- ◆ Labour Relations Act, (No. 66 of 1995)
- ◆ Employment Equity Act, (No. 55 of 1995)
- ◆ Skills Development Act, (No. 97 of 1998)
- ◆ Basic Conditions of Employment Act, (No. 75 of 1997)
- ◆ Intergovernmental Relations Framework Act (No 13 of 2005)
- ◆ Preferential Procurement Policy Framework (No 5 of 2000)

4.3 POLICY MANDATES

4.4 RELEVANT COURT RULINGS

There is no relevant court ruling.

4.5 PLANNED POLICY INTITIATES

There are few planned policy initiatives in line with the national and provincial pronouncement. Key amongst these includes the following:

- We need to ensure that as the department we both contribute and participate to further developments and amendment of the National Public Works' White Paper
- Taking a lead from the National Department, we need to develop the Provincial Public Works White Paper in line with the provisions of the National Public Works White Paper, including reclaiming the departmental mandate
- There has to a continuous implementation of the Government Immovable Asset Management Act (2007).
- The department needs to consider the amendment of the National Construction Charter gazetted in May 2009 and the ongoing work by the National department on the Property Charter and integrate the strategic focus into the strategies over the five – year period.
- We need to harmonize the KwaZulu-Natal Land Administration Act and the Government Immovable Asset Management Act for effective implementation

5. SITUATION ANALYSIS

Operating within a fast changing environment including extensive world economic turbulence, the construction sector has remained one of the focal points of economic growth and development in the country. In recognition of its important role, the construction sector is part of the 10 MTSF key priorities, namely that of Introducing massive programme to build economic and social infrastructure and through this contribute towards job creation in the country through the Expanded Public Works Programme. Expectations are therefore high that the sector will continue to boost the economy, create jobs and significantly contribute towards skills development.

The budget cuts are having an impact on the implementation of certain capital infrastructure projects. While this remains in place, the Provincial Government correctly insists that such cuts should not impact negatively on the service delivery.

In this way, there is no doubt that infrastructure and property management portfolios are playing and will significantly continue to be an integral part of boosting and enhancing rural development.

5.1 SERVICE DELIVERY ENVIRONMENT

The Department of Public Works provides an essential service to the client departments. For any department to operate and discharge its mandate there has to be an office accommodation. In addition to this departments have responsibility to deliver on certain key social issues. In that there has to be social infrastructure, schools, clinics and hospitals. The establishment of Public Works directly addresses the aforementioned needs of the people. These are directly linked to our core business function, property management and infrastructural delivery. Below is a detailed account of activities reflecting the demand for our services:

- Existing provincial building infrastructure (e.g. opportunities for using state properties to promote food gardens thereby contributing to agrarian reform)
- Developed programmes already aligned to deliver on some of the 10 national strategic priorities and already in the Provincial Programme of Action (e.g. Expanded Public Works Programme, National Youth Service, Izandla Ziyagezana, Masakhe Emerging Contractor Development and Property Incubator Programme) and further make these to be an integral part of the Premier's Flagship Programme
- Strengthening of current client liaison and stakeholder consultation forums and other communication strategies to enhance public perception and attitudes and inform departmental stakeholders
- Develop internal research capacity to identify & implement initiatives to align departmental service delivery performance with industry bench marks (e.g. reduction of operational costs)
- Integration of best practice in the Department of Human Settlement and the Department of Public Works.
- Increased use of 'Green' planning for internal departmental energy savings and extension of the concept to other provincial departments
- Development of User Asset Management Plans (U-AMP) in each provincial department for effective maintenance & life cycle planning following successful U-AMP pilot project.

Threats

- Lack of integrated infrastructure planning due to limited application of the IDIP approach across provincial departments resulting in poor performance, including persistent Infrastructure backlogs
- Slow disposal of surplus fixed state assets due to lack of disposal plans from various government departments
- Some provincially owned land and buildings not strategically located to meet the client preferred locations for office accommodation needs.
- Funding – no allocation of funds for some sector programmes such as GIAMA implementation and for some developmental programs (Masakhe, Emerging Contractor Development Programme, Expanded Public Works Programme, National Youth Service, Izandla Ziyagezana and Property Incubator programme) that seek to respond to some of the 10 priorities.
- The impact of HIV/AIDS on labour force

5.2 ORGANISATIONAL ENVIRONMENT

The Provincial Department of Public Works is structured into three programmes to implement its programmes:

Programme 1: Administration

Programme 2: Property Management

Programme 3: Provision of Buildings, Structures & Equipment

The Head of Department at head office is supported at chief directorate level by the following SMS posts.

Administration

- Chief Finance Officer
- General Manager (Corporate Services)

Property Management

- General Manager: Property Management

Provision of buildings, structures & equipment

- General Manager: Operations

The department is decentralized into 4 regional offices that cover all the district municipalities in the province.

Strengths

- The department has accumulated experience in the Built Environment
- Competitive & professional environment resulting in high quality of projects
- Strong leadership & committed & motivated work force
- Established business processes e.g. Standard Operating Procedures across programmes
- Reporting forums in place
- Identification of areas of internal cost savings

Weaknesses

- Slow conclusion of the analysis on the maximum utilisation of artisan staff
- Internal human resource capacity constraints affecting mainly the technical / professional skills required to deliver on the core functions, resulting in over reliance on outsourced services
- Persistent incidence of fraud and corruption cases & slow turn-around time on finalisation of judicial matters
- Need for more affirmative SCM

5.3 DESCRIPTION OF THE STRATEGIC PLANNING PROCESS

The Five Year Strategic Plan, as drawn and developed in line with Medium Term Strategic Framework, is a key departmental planning base for the formulation of the Annual Performance Plan. In this light, the planning process of the department commences with the strategic plan which is reviewed on an annual basis to give direction and guidance to the formulation of the Annual Performance Plan for each particular financial year. The planning process of the department can be summarized as follows:

Strategic Planning and Reporting

TIME-LINE	ACTIVITY	COMMENT
July	5 Year Strategic Planning Session	High level planning, alignments, reviews integration to government priorities and there is annual review which informs the setting of annual performance targets
July –March	Annual Performance Plan	Setting of Annual Performance Targets
Quarterly	Quarterly Performance Reports	Quarterly assessment to examine quarterly deliverables (management) and submission to oversight structures
October	Mid Term Review	Examines half-way progress (SMS and MMS)
October – April	MEC Budget Speech	Tabling of report for the past year and commitments for the new financial year

6. STRATEGIC GOALS

The 5-year departmental strategic plan seeks to achieve the following goals that are described more fully below in line with the broader national, sector and provincial strategic goals.

CORE STRATEGIC GOALS

6.1 Delivery of Integrated Property Planning and Management

Strategic Goal	Delivery of integrated property planning and management
Goal Statement	To meet the funded short and medium term accommodation and property management needs of provincial client departments through various forms of acquisition and disposal as well as consultatively implementing an efficient asset management cycle in line with prescribed sector and municipal property policies.
Justification	The goal aims to ensure that the Province maintains adequate land and buildings for the offices and facilities required to deliver government services to the population in all the district municipalities of KwaZulu –Natal.
Links	Fulfill the provincial mandate of being the provider of accommodation service to all provincial departments and to transform the Property industry in line with the sector goals of the Property Charter.

6.2 Delivery of Infrastructure Planning and Implementation

Strategic Goal	Delivery of Infrastructure Planning and Implementation
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Goal Statement	To meet the funded short and medium term building infrastructure needs of provincial client departments through erection of new buildings and repairs or renovation of existing buildings as per the agreed client plans and budget allocations.
Justification	The goal aims to ensure that the Province maintains adequate land and buildings for the offices and facilities required to deliver government services to the population in all the district municipalities of KwaZulu –Natal.
Links	Fulfill the provincial mandate of being the provider of accommodation service to all provincial departments; transform the Construction industry in line with sector goals of the Construction Charter.

6.3 Enhance Creation of Work Opportunities

Strategic Goal	Enhance Creation of Work Opportunities
Goal Statement	To maximise the creation of work opportunities through application of labour intensive methods in all the construction projects contracted to the department as per the stated EPWP targets, including targets of the diversified EPWP programme into the property and construction sectors.
Justification	The intensified application labour intensive methods to building infrastructure projects will maximise the jobs creation benefits of Government's increased public infrastructure investment that seeks to counter the effects of the global recession affecting the country.
Links	Linked to the provincial goal of creating decent work and ensuring economic growth and also meeting the Millennium Development Goals of halving the unemployment by year 2014

6.4 Implement Sector Specific Skills Development

Strategic Goal	Implement Sector Specific Skills Development
Goal Statement	To contribute to the transformation of the construction and property industries by incorporating relevant skills programmes into the core departmental service delivery programmes for targeted beneficiary groups in line with stated annual targets.
Justification	The development of skills will empower disadvantaged groups to access economic opportunities in the construction and property industries
Links	<p>Linked to the provincial priority of Education & skills and the Sector strategic priorities of:</p> <ul style="list-style-type: none"> • A larger National Youth Service linked to Youth development Strategy, • Implementation of Property Reform Strategy through Property Incubator programme • Contractor Development in line with Construction Development

6.5 Create Capacity and Implement Innovative Research Initiatives

Strategic Goal	Create capacity and implement innovative research initiatives
Goal Statement	<p>To identify required service delivery improvements through research into industry benchmarks in terms of:</p> <ul style="list-style-type: none"> • client relationship management) • Condition of (state) buildings • Building infrastructure project delivery times • Cost efficiency • Productivity

Justification	Aims to improve the department's service delivery capacity in line with industry standards
Links	Sector and departmental goal to be the service provider of choice by matching industry standards in line with the Service delivery Improvement Programme.

6.6 Enhance and Strengthen Stakeholder participation and management

Strategic Goal	Enhance and Strengthen Citizens/Community and Stakeholder participation and management
Goal Statement	As part of interactive government, enhance service delivery through provision of information on departmental programmes to benefit communities and encourage stakeholder participation.
Justification	Aims to improve service delivery and increase the number of beneficiaries from departmental programmes in the province and increase external stakeholder participation.
Links	Linked to the achievement of all sector priorities through effective communication with stakeholders as well as the national priority of building cohesive, caring & sustainable communities

SUPPORTIVE STRATEGIC GOALS

6.7 Provide Strategic Leadership, direction and management

Strategic Goal	Provide Strategic Leadership and management
Goal Statement	To ensure a high level of departmental performance by providing leadership in the areas of Strategic planning, management development, risk management, monitoring and evaluation, management of strategic partnership and total security management.

Justification	Strategic leadership will ensure the department achieves its performance targets in line with its core mandate and government policy priorities at sector, national and provincial levels.
Links	Ensure full implementation of the MTSF, Strategic plans and APP's

6.8 Provide effective Corporate Governance

Strategic Goal	Provide effective Corporate Governance
Goal Statement	To improve work ethics, professionalism and service delivery within the department
Justification	Compliance with the departmental service commitment charter will ensure client satisfaction both at client department and end-user levels.
Links	Sector Service Delivery improvement Plan and cooperative governance

6.9 Implementation of Skills Development Programmes and Transformation

Strategic Goal	Implementation of Skills Development Programmes and Transformation
Goal Statement	To close the internal skills gap by meeting the targets of the following skills development programmes: <ul style="list-style-type: none"> • Internship, Learnership & Bursary Programmes for identified skills shortage areas • Employee training as per the Workplace Skills plan • Eradication of employee illiteracy through ABET
Justification	Development of internal skills will increase the department's capacity to deliver on its mandate, increase employee productivity and motivation levels
Links	Linked to national, provincial and sector priorities of strengthening the skills and human resource base.

6.10 Provide Effective & efficient Financial Management

Strategic Goal	Provide Effective & efficient Financial Management
Goal Statement	To enhance and maintain financial management systems and procedures for the allocation and use of departmental budgets as well as manage financial risk and provide timely financial accounts in line with stated annual targets
Justification	To ensure the availability of adequate financial resources to implement planned departmental programmes throughout the province and to ensure the resources are used efficiently
Links	Comply with the PFMA, PPFA and other Treasury prescripts

6.11 Provision of Supply Chain Management to realize inclusive Economic Growth

Strategic Goal	Provision of Supply Chain Management to realize inclusive Economic Growth
Goal Statement	To timeously procure required capital and current goods and services in line with approved procurement plans and show effectiveness and value for money
Justification	Comply with PPFA and ensure effective use of budgeted resources and contributes to closing the gap between the first and second economies
Links	To Supply Chain management in terms of the PFMA as well as empowerment objectives of the BBBEE Strategy.

6.12 Effective Implementation of an electronic departmental Monitoring and Evaluation Tool

Strategic Goal	Effective Implementation of an electronic Departmental Monitoring and Evaluation Tool
Goal Statement	To develop and implement an integrated and efficient Corporate Performance Information Management System to serve all departmental components
Justification	The enhanced monitoring and evaluation system will equip the Executive, Senior Management, Oversight Bodies and the public with an improved means of taking decisions on the basis of accurate and appropriate performance information. This is intended to enhance accountability to all stakeholders on the performance of the department in relation to appropriate service delivery performance indicators.
Links	Departmental Corporate Governance and National GWMES and FMPPI mandates

6.13 Effective management of fraud and corruption

Strategic Goal	Effective management of fraud and corruption
Goal Statement	To eliminate fraud and corruption by: <ul style="list-style-type: none"> • setting accountability standards among senior management, • efficient risk management including cooperation with law enforcement agencies • firm corrective action in identified cases
Justification	Eliminating fraud and corruption ensures that public financial resources are all used for the intended purpose thereby preventing wastage.
Links	National priority of Intensifying the fight against crime & corruption

PART B: STRATEGIC OBJECTIVES

7. PROGRAMME 1: ADMINISTRATION

The main purpose of this programme is to:

- Provide support to the Member of the Executive Council and the Head of Department;
- To render support and advice in terms of human resource practices and policies as well as all legal matters
- Ensuring an effective communication system and information management system
- Rendering sound financial management services.

7.1 STRATEGIC OBJECTIVES

7.1.1 STRATEGIC LEADERSHIP, DIRECTION & MANAGEMENT

STRATEGIC GOAL	STRATEGIC OBJECTIVE	OBJECTIVE STATEMENT	BASELINE	JUSTIFICATION	LINKS
Provide Strategic Leadership, direction and management	Champion the Strategic Planning Processes	Coordinate departmental 5-year Strategic Plan (2010/11 -2014/15), annual performance plans, Quarterly Performance Reports and Annual Reports processes in line with Treasury regulations.	<p>Approved Programme Performance Information Management Policy & Procedure Manual available to guide the development of programme performance information.</p> <p>Resolution of July 2009 Strategic planning exercise. 2005/2010 Strategic Plan. Tabled 2009/2010 APP. Midterm Review reports. Annual reports form 2005/1006 financial years.</p>	To enable the department to deliver on its mandate and government policy priorities as well as compliance with PFMA.	Ensure that the department delivers and contributes towards its mandate and MTSF.

STRATEGIC GOAL	STRATEGIC OBJECTIVE	OBJECTIVE STATEMENT	BASELINE	JUSTIFICATION	LINKS
	To strengthen internal strategic management capacity	Initiate programmes for leadership and management development, implementing the training programme for all senior managers by 2011/12 and 50% of middle managers by 2012/13.	5 Senior managers trained by mid-2009 as per the EPMDs- identified management development priorities & Workplace Skills Plan	Ensure that there is sufficient management capacity in the department	This will enhance productivity and management of strategic related programmes and activities in the department
	Provide and enhance departmental good governance	To promote corporate governance through sustained annual anti-corruption awareness at all levels of the department	Anti-corruption workshops held in 2 of the 4 regions by the mid-term	Increase awareness and ensure adherence to good principles of governance	Contributes to clean governance
	Provide effective performance monitoring and evaluation	To continuously measure departmental performance against set quarterly and annual targets	Monthly, quarterly and mid-term reviews and annual reports	To enable the department to have effective information management systems in place	Contribution to effective accountability and service delivery within the elements of good governance
	Facilitate and manage partnership programmes with private sector good working relations with the private sector	Develop a Public Private Partnership (PPP) framework by 2010/11, build internal implementation capacity and roll-out by 2012/13	Some partnership arrangements with private sector organisations (e.g. Nurcha) for financing construction projects for emerging contractors in place. A guiding PPP framework re-scheduled for 2010/11 due to funding constraints in 2009/10.	foster collective responsibility in providing services to the people	demonstrate commitment as part of interactive government
	Provide total	Provide and ensure	Approved Policy Document covering;	To manage the safety	Part of providing

STRATEGIC GOAL	STRATEGIC OBJECTIVE	OBJECTIVE STATEMENT	BASELINE	JUSTIFICATION	LINKS
	security management	physical and IT Security	Access Control, Basic Office Security, Key and Lock Combinations for Offices, Safes, Vaults, Strong-rooms and the MISS (Minimum Information Security Standards).	and security of employees, and assets of the state.	security awareness and fighting crime and corruption.
	Provide and manage effective communication	To provide for effective marketing and communication of departmental activities	Communication Policy and Strategy	To ensure that departmental activities are known to the public	Demonstrate commitment as part of interactive government
	Develop strategy on public participation and promote community participation	Develop means to engage stakeholders in the departmental activities	Property and Construction Summits Contractor Forums Radio Talk Shows Website Departmental Road Shows and Events	Commitment to transparency and involvement of the people in the provision of service delivery	Demonstrate commitment as part of interactive government
	Maintain International relations Programmes	Provision of opportunities to learn from other countries	Number of officials to receive skills transfer from the Professionals from other countries	Ensure that the departments operates and keeps country to country contacts and lessons learnt	Contribution to skills development of scarce skills and new approaches to infrastructure delivery and property management in the department
	Improve capacity in the department	Assess departmental capacity in relation to the provision of furniture internally	Workshop and equipment in place Produced and refurbished at a minimum scale	Claiming the mandate of Public Works Department	Internal Investment in skills development of Artisans staff

7.1.2 Corporate Services

STRATEGIC GOAL	STRATEGIC OBJECTIVE	OBJECTIVE STATEMENT	BASELINE	JUSTIFICATION	LINKS
Provide effective Corporate Governance	To improve work ethics, service delivery and professionalism within the department	To improve service delivery and ethical conduct	Code of Conduct in place Fraud Prevention plan in place and implemented Service Improvement Plan Developed	Compliance with the departmental service commitment charter will ensure client satisfaction both at client department and end-user levels. Management and employees to be aware of roles and obligations	Sector Service Delivery improvement Plan Efficient and motivated work force
	Review and align departmental structure to support departmental service delivery	Proper alignment of structures, functions and programmes	Current Departmental Organogram	To enhance provision of service delivery	Relate directly to Service Delivery Improvement Programme and MTSF
	Provision of fleet within the department to support the departmental business	To ensure adequate provisioning of transport resources	Transport Policy Code of Conduct	To ensure timeous service delivery	Relate directly to Service Delivery Improvement Programme

STRATEGIC GOAL	STRATEGIC OBJECTIVE	OBJECTIVE STATEMENT	BASELINE	JUSTIFICATION	LINKS
Addressing shortage of skills within property, construction and finance sectors	To implement a learnership programme	To implement a programme that will develop and augment the skills of internal staff	Approved HRD Plan Existing Learnership programme in place 10 Learnerships	Increase in productivity of employees on learnerships and also providing growth through career pathing	Strengthening of internal skills in the targeted scarce skills category
	To ensure the reduction of vacancy rate	Effective recruitment and capacity building	103 post filled in 2009/2010	Provision of Human Resources for effective service delivery	Retention of appropriate skills and Government Human Resource Plan
	To implement an internship programme	To implement a programme that will develop and augment the skills of external graduates	Existing Internship programme in place. 10 Interns currently within the built environment	Increase experience of interns to make them more marketable for employment both within the department and in the construction sector	Effective service delivery and contributing towards economic growth
	To contribute towards skills development of the rural	To contribute to the development of rural communities through the provision of	43 external and 10 of these bursary holders are from rural areas students	Spread the benefits of departmental skills development programmes to rural	Department will improve service delivery in rural areas by skilling human resources available in

STRATEGIC GOAL	STRATEGIC OBJECTIVE	OBJECTIVE STATEMENT	BASELINE	JUSTIFICATION	LINKS
	communities	financial assistance to matriculants to pursue studies in the built environment		beneficiaries	these areas and will also to contribute to provincial priority of rural development
	To implement a Work Place Skills Plan	To implement a programme that will develop and augment the skills of internal staff	Work Place Skills Plan in place and implemented	Enhance benefits of current skills development programmes	Increase departmental capacity to deliver
	To provide an Adult Basic Education and Training (ABET) Programme	To implement a programme that will develop the skills for internal staff	Approved ABET programme ABET Act, 2000	Increase in productivity and quality of life of employees Advance the interests and aspirations of all staff	Strengthening of internal skills

7.1.3 FINANCE

STRATEGIC GOAL	STRATEGIC OBJECTIVE	OBJECTIVE STATEMENT	BASELINE	JUSTIFICATION	LINKS
To be fully compliant with the PFMA and Treasury Regulations and practice notes	Ensure effective and efficient financial management.	Measures in place to ensure financial compliance	Compliance with PFMA and treasury regulations for effective management, within the 2% variance. Institutional arrangements in place to manage and monitor the financial resources	Compliance is a Treasury requirement for sound financial management	Promotion of accountability on the use of the public funds
Provide Effective & efficient Financial Management	Budget to be aligned to district municipalities	Facilitate effective monitoring and Planning of financial investment at district level. Budget to be aligned annually.	Budget aligned on annual basis.	Resources distributed to all parts of the province as needed	Efficient resource allocation & capacity for efficient financial management at regional & district levels increased
	Effective utilization of the budget	Facilitate effective and efficient financial management in line with treasury regulations	Variance within 2 % of budget	Maximum service delivery on allocated resources	Effective projection & expenditure

STRATEGIC GOAL	STRATEGIC OBJECTIVE	OBJECTIVE STATEMENT	BASELINE	JUSTIFICATION	LINKS
	Implementation of performance budgeting	Effective alignment of financial and service delivery and monitoring.	Currently implementing Performance Budgeting.	Will improve budgeting and non-financial performance	Improves services delivery
Effective management of fraud and corruption	Prevention and management of fraud and corrupt activities	Proactive Fraud and Corruption prevention through implementation of a holistic fraud management strategy.	Code of Conduct in place Fraud Prevention plan in place and implemented	Prevention will reduce financial losses in the department & reduce time spent on investigating fraud & corruption	Effective Fraud management
	Minimise audit queries	Facilitate effective system of internal control.	Qualification and 4 other reporting matter) Auditor-General Report	Annual reduction of audit queries raised by the Auditor General.	Prevention of crime and corruption
	Effective risk management	Implementation of enterprise wide risk management to continuously identify & mitigate risks through remedial strategies & action plans	Risk Management Plan in place and implemented	Will ensure the department achieves maximum output with resources available through managing risk.	Maximization of public funds for services delivery
Provision of	Close gap	Facilitate growth in the	Preferential Procurement	Department will	Linked to supporting

STRATEGIC GOAL	STRATEGIC OBJECTIVE	OBJECTIVE STATEMENT	BASELINE	JUSTIFICATION	LINKS
Supply Chain Management to realize inclusive Economic Growth	between second and first economy	second economy through the Department's procurement activities and BBBEE Strategy	Objectives in place BBBEE Strategy in place Developmental programmes	implement its procurement strategies and developmental programs to meet BBBEE targets for priority groups	priority groups to participate in the economy
	Fast track payment to emerging businesses	To comply with approved payment timelines	Payment within 30 days	Fast-tracking payments reduces the risk of cash-flow problems to which emerging businesses are more vulnerable to	Linked to supporting priority groups to participate in the economy
	Effective movable asset management	Facilitate the safeguarding of State Assets.	Minimum requirements in terms of Treasury Requirements met	The department needs to improve its performance on movable assets to avoid future audit qualifications	Effective resource management

7.2 Resource Considerations

PROGRAMME 1: ADMINISTRATION									
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
	R(000)	R(000)	R(000)	R(000)	R(000)	R(000)	R(000)	R(000)	R (000)
	Actual	Actual	Actual	Adjusted Budget	MTEF	MTEF	MTEF	Projected Budget	Projected Budget
Minister's Support	7 604	6 116	6281	9 505	9 639	10 220	10 735	11 272	11 836
Management	139 875	170 189	188 431	200 494	208 870	228 694	239 583	251 562	264 140
Total	147 479	176 305	194 712	209 999	218 509	238 914	250 318	262 834	275 976

Table 14.15: Summary of payments and estimates by economic classification - Programme 1: Administration

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates				
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2009/10	2010/11	2011/12	2012/13	2013/14
Current payments	126,617	163,059	184,411	185,885	199,783	199,779	198,500	208,403	219,491	230,466	241,990
Compensation of employees	65,417	84,508	118,875	126,229	138,135	138,132	142,215	148,882	155,770	163,559	171,738
Goods and services	61,200	78,551	65,536	59,656	61,648	61,647	56,285	59,521	63,721	66,907	70,252
Interest and rent on land	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	1,065	919	4,637	367	561	2,100	2,307	2,439	2,561	2,689	2,823
Provinces and municipalities	52	-	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	313	64	355	231	231	106	244	259	272	286	300
Universities and technikons	-	-	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-	-	-
Households	700	855	4,282	136	330	1,994	2,063	2,180	2,289	2,403	2,523
Payments for capital assets	19,797	12,327	5,664	9,406	9,655	9,065	17,702	28,072	28,266	29,679	31,163
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-	-	-
Machinery and equipment	19,797	12,327	5,318	9,406	9,655	9,065	17,702	28,072	28,266	29,679	31,163
Heritage assets	-	-	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	346	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-	-	-
Total	147,479	176,305	194,712	195,658	209,999	210,944	218,509	238,914	250,318	262,834	275,976

Note: Inflation stays the same from 2012/13 to 2013/14 & 2014/14 at 5%. This will be adjusted in the annual performance plan of the specific financial year.

7.3 Risk Management

7.3.1 Financial management – unfunded mandates

- There is a risk of failing to meet implementation targets for some programmes that seek to respond to sector and provincial priorities due to insufficient funding within the department. The affected mandates relate to NIMS, GIAMA, NYS, Masakhe and PIP.
- Insufficient funding for the property rates conditional grant.
- The Department will continue to lobby National Public Works and the Provincial Treasury for additional funding.

7.3.2 Financial management - fraud & corruption

- The department has a moderate risk of fraud & corruption relating to transactions on BAS, Persal, and Collusion with service providers & fronting. This results in financial loss on service delivery funds, loss of reputation and loss of skilled personnel due to dismissal
- The department has planned various fraud prevention and management activities, including sustained implementation of existing policies and procedures, finalization of the risk management strategy and procedures as well as initiatives to engage law enforcement agencies for joint strategies to root out fraud & corruption.

7.3.3 HUMAN RESOURCE PROVISIONING – SCARCE SKILLS

- Due to the general shortage architects, quantity surveyors and engineers in the country, the department faces challenges in filling posts for these professional skills.
- The problem is compounded by the high staff turnover in this category, resulting in high recruitment costs

- Planned interventions include:
 - Attract applicants by disclosing total-cost to company packages in adverts
 - Head-hunting to supplement recruitment through advertisements
 - Ensure appropriate evaluation for advertised jobs
 - Implementation of Retention Policy
 - Implementation of OSD for the technical fields
 - Scarce skills (technical and related property management skills) within the department
 - Shortage of skills in financial management

7.3.4 Internal Skills Development - Implementation of Bursary & Internships programmes

- The department has experienced a low intake of learners, bursary candidates and interns in its skills development efforts. The problem is partly due to competition from other institutions. The department will intensify career expos to tertiary institutions and extend target area to first year students and grade 12 students.
- The department will also pursue aggressive retention approaches for the candidates recruited in these skills development programmes.

7.3.5 Internal Skills Development - Implementation of Workplace Skills Plan

- Some of the constraints have been meeting annual target numbers to be trained as well as persistent adult illiteracy in the department.
- The department is also pursuing partnerships (eg Education department) to increase number of tutors to train ABET-registered employees
- None registrations of existing technical and professionals as professional project and construction managers

8. PROGRAMME 2: PROPERTY MANAGEMENT (REAL ESTATE)

The main purpose of the programme is to:

- Deliver the integrated Property Planning and Management services to clients;
- Enhance and strengthen stakeholder participation and management (landlords & others in the sector)
- Enhance job creation opportunities through Izandla Ziyagezana
- Implement skills development within the property sector
- Achieve optimal utilisation of state fixed assets;

8.1 STRATEGIC OBJECTIVES

STRATEGIC GOAL	STRATEGIC OBJECTIVE	OBJECTIVE STATEMENT	BASELINE	JUSTIFICATION	LINKS
Delivery of Integrated Property Planning and management	To provide efficient and effective management of provincial fixed asset register	To facilitate and coordinate the process of vesting, registering and auditing of immovable assets	11 035 properties in The Fixed Asset Register	To keep an accurate register for effective accountability, monitoring and management	The register continues to be critical for Implementation of KZN Land Act, planning for the implantation of GIAMA and property rates payments
	To spatially map	To ensure mapping of assets in order to	Geographic Information System	Spatial mapping assists the	Integrated property portfolio planning supporting government

STRATEGIC GOAL	STRATEGIC OBJECTIVE	OBJECTIVE STATEMENT	BASELINE	JUSTIFICATION	LINKS
	immovable assets in line with PSEDS	determine usage of such assets where they are required to support service delivery	(GIS) is available within PREMIS	development of integrated planning in line with local municipal spatial development frameworks	corridor development
	To ensure optimal utilisation of state properties and hired office building	To facilitate full utilization of state assets (Administrative Buildings)	Existing norms and standards in place	Optimal utilization of state assets	Cost effective service delivery
	To take transfer of all provincial immovable assets (vesting)	Ensure that assets are in the name of the Province	Endorsement of title deeds	To ensure full accountability for all state assets	Full control and management of state assets
	To facilitate the payment of property rates	Full compliance with the Municipal Property Rates Act (MPRA)	Current systems in place (99.5% paid)	To comply with the Municipal Property Rates Act	Improved co-operative governance, municipal finance and effective service delivery
	To effectively manage immovable assets in terms	To ensure uniform, effective and accountability in the management of	Draft User Asset Management Plans (U-AMPs)	Life cycle management of state assets	Enhanced planning and management of state assets

STRATEGIC GOAL	STRATEGIC OBJECTIVE	OBJECTIVE STATEMENT	BASELINE	JUSTIFICATION	LINKS
	of GIAMA	immovable assets			
	To meet land and building needs of provincial departments through property acquisition and disposal	To ensure timeous acquisition of land and disposal of redundant buildings	Real Estate Standard Operating Procedures for acquisition and disposal in place Disposal Strategy in place	All government departments require space to work and also need to dispose of redundant properties	Cost effective service delivery
	To manage the eviction of identified illegal occupants from state – owned properties	The management and coordination of evictions	Finalized evictions (24)	Management of the occupancy of state properties	Effective utilization of state properties
Enhance and Strengthen Stakeholder participation and management	To provide effective client liaison and management services.	To ensure sector participation	Liaison with stakeholders through summits and forum	To get feedback to improve service delivery	Forums strengthen stakeholder participation and client satisfaction
Implement	To promote	To ensure property	Trainees for the PIP	Enhance the	State properties present an

STRATEGIC GOAL	STRATEGIC OBJECTIVE	OBJECTIVE STATEMENT	BASELINE	JUSTIFICATION	LINKS
Sector Specific Skills Development in the Property Management	economic transformation and investment within Property Sector through hirings and lettings	transformation through the implementation of the Property Incubator programmes	(63)	objectives of the Property Transformation Charter that targets the previously disadvantaged groups.	opportunity to develop property management skills of target groups in terms of the Property Charter
	To promote participation of the previously disadvantaged groups in the property sector	Advancement of the property charter and BBBEE	63% of the current hirings from African-Asian groups (Asians, 46%, Black Africans, 15% and Coloured, 2%) and other is 37%	Bridging the gap between the first and second economy	Property charter, BBBEE and PPFA
Enhance Creation of Work Opportunities through Izandla Ziyagezana	To ensure implementation of vacant land clearance programme (Izandla Ziyagezana)	To make a contribution towards creation of work opportunities and poverty alleviation programmes through Izandla Ziyagezana	6 Local Municipalities	Poverty reduction	The programme provides for decent jobs
	Piloting of Food gardens within the Izandla Ziyagezana Sites	Consultation and rolling out of the food gardens in selected District Municipalities	Existing Izandla Ziyagezana Sites in 6 Local Municipalities	Poverty Reduction	Provides support to the Premier Flagship Programme

8.2 Resource Considerations

PROGRAMME 2: PROPERTY MANAGEMENT (REAL ESTATE)									
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
	R(000)	R(000)	R(000)	R(000)	R(000)	R(000)	R(000)	R(000)	
	Actual	Actual	Actual	Adjusted Budget	MTEF	MTEF	MTEF	Projected Budget	Projected Budget
Personnel & admin related	11631	19,726	232,785	263,397	291 180	309 174	325 018	326 806	328 683
Hiring	1,713	1,820	2211	2 270	2 402	2 547	2 717	2 853	2 996
Acquisition of land, control and disposal	5,665	413	232	211	277	297	312	328	344
Total	19,009	22,959	235,319	264,585	293,859	312 018	328 047	329 987	332 023

Table 14.17: Summary of payments and estimates by economic classification - Programme 2: Real Estate

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates				
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13	2013/14	2014/15
Current payments	8,446	13,716	18,475	20,541	21,189	19,323	26,520	28,690	30,552	32,080	33,683
Compensation of employees	5,819	8,304	11,451	17,800	15,855	13,071	19,560	20,882	22,169	23,278	24,441
Goods and services	2,627	5,412	7,024	2,741	5,334	6,252	6,960	7,808	8,383	8,802	9,242
Interest and rent on land	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	5,039	8,947	216,688	243,108	244,226	244,955	267,143	283,173	297,333	297,737	298,161
Provinces and municipalities	5,038	8,947	216,688	243,068	244,186	244,186	267,103	283,130	297,288	297,690	298,112
Departmental agencies and accounts	1	-	-	15	15	10	15	16	17	18	19
Universities and technikons	-	-	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-	-	-
Households	-	-	-	25	25	759	25	27	28	29	30
Payments for capital assets	5,524	296	156	936	463	392	196	155	162	170	179
Buildings and other fixed structures	(61)	52	-	-	-	-	-	-	-	-	-
Machinery and equipment	87	244	156	936	463	392	196	155	162	170	179
Heritage assets	-	-	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	5,498	-	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-	-	-
Total	19,009	22,959	235,319	264,585	265,878	264,670	293,859	312,018	328,047	329,987	332,023

NOTE: INFLATION STAYS THE SAME FROM 2012/13 TO 2013/14 & 2014/14 AT 5% (EXCLUDING THE CONDITIONAL GRANT). THIS WILL BE ADJUSTED IN THE ANNUAL PERFORMANCE PLAN OF THE SPECIFIC FINANCIAL YEAR. THE CONDITIONAL GRANT FOR THE DEVOLUTION OF PROPERTY RATES REMAINS THE SAME AS 2012/13 R 289 259 MILLION FIR THE YEARS 2013/14 AND 2014/15

8.3 Risk Management

8.3.1 Asset Management - Backlog on property acquisitions

- Client departments continue to submit accommodation requests late and on an ad-hoc basis, resulting in delayed acquisition cycles impacting on timeliness of service delivery.
- To address the problem:
 - The department continues to encourage the use of multi-year planning through the liaison meetings.
 - The department to focus on development of an integrated provincial strategy on hiring and letting.
 - Property Management will strengthen its advisory role to client department to ensure clearer hiring specifications thereby simplifying the adjudication of bids.
 - The department has also approved Property Management delegations that are expected to facilitate faster property acquisition.

8.3.2 Asset Management – Incomplete provincial fixed asset register

- Some client departments have not been reporting on new construction done by other implementing agents for registration onto the Fixed Asset Register. The Department will continue to liaise with client departments to minimize the problem.
- Some provincial properties, eg Ingonyama Properties, R293 townships and Umzimkhulu properties still require registration in the name of the provincial government. The department is implementing asset audits as well as fast-tracking the transfer of properties.

8.3.3 Asset Management – Asset Disposal

- Poor multi-year user asset management planning affects disposal planning by client departments resulting in indecisiveness over the disposal of state assets perceived to be surplus to requirements.
 - As from 1 April 2010 GIAMA becomes effective wherein User Asset Management Plans (U-AMPS) will be compiled by all user departments where all unused properties and land will be declared. The department has already piloted the development of U-AMPS with the Social Development department and the provincial Public Works' department.

8.4.4 Compliance with the Municipal Property Rates Act – Payment of municipal property rates

- Budget allocation is not sufficient for all the claims that get submitted by municipalities yet the rate payment is mandatory.
- To address the problem:
 - The conditional grant must be increased to accommodate the increased claims.
 - WIMS does not accept payment that is above the allocated budget
 - Property Management delegations are in place to curb unauthorized expenditure.

9. Programme 3: Operations

Programme 3: Provision of Buildings, Structures and Equipment (Operations and Professional Services)

The main purpose of the programme is to:

- Erect and maintain buildings, structures and engineering works to client specifications;
- In carrying out this stated purpose, the programme aims to fulfil the following government socio-economic objectives
 - Create jobs through the Expanded Public Works Programme
 - Create an enabling environment for affirmable business enterprises.

9.1 STRATEGIC OBJECTIVES

STRATEGIC GOAL	STRATEGIC OBJECTIVE	OBJECTIVE STATEMENT	BASELINE	JUSTIFICATION	LINKS
Integrated Infrastructure Planning and Implementation	Implementation of annual infrastructure delivery	Facilitate the planning and implementation of Annual Infrastructural Plans	IDIP in place for 3 Departments	Successful implementation of IDIP ensures that the client building infrastructure needs are	Directly linked to the goal of integrated infrastructure delivery

STRATEGIC GOAL	STRATEGIC OBJECTIVE	OBJECTIVE STATEMENT	BASELINE	JUSTIFICATION	LINKS
	improvement programme (IDIP)			met.	
		Introduction of IDIP to other client departments	Infrastructure Plans in place	Successful implementation of IDIP ensures that the client building infrastructure needs are met.	Directly linked to the goal of integrated infrastructure delivery
	Enhancement and integration of Works Management Information Systems (WIMS) into a project management tool	Facilitate integrated infrastructure project management system	WIMS in place	Improved reporting and management of projects as a both a financial management and project management tool	Enhanced efficiency in project management tool and infrastructure service delivery
	Facilitate pilot implementation of the programme management approach	Enhancing the current internal capacity	None	The department has identified the envelop management approach as a potential approach to improving service delivery	The envelop management approach will bring efficiencies into building infrastructure delivery
	To advise client department to	Ensure integrated	Current Programme of	Infrastructure delivery needs to be planned in line	Multi year plans to eventually

STRATEGIC GOAL	STRATEGIC OBJECTIVE	OBJECTIVE STATEMENT	BASELINE	JUSTIFICATION	LINKS
	plan in line with PSEDS	infrastructure planning	Action (POA)	provincial development strategy	conform to spatial plans
TO CONDUCT INNOVATIVE RESEARCH	To promote indigenous construction methods.	To utilize local indigenous material for construction work.	None	The department has identified a need to create research capacity to find alternative construction methods.	Innovation through research is key to productivity improvements in infrastructure delivery.
Implement Sector Specific Skills Development in Construction	Develop emerging contractors in – line with construction charter through masakhe ecdp	Training a targeted number of emerging contractors	Training conducted Training Manual in place	The Masakhe ECDP is an established contractor development programme that continues to deliver on contractor development in the construction industry	Contractor development is key to meeting the objectives of the transformation of the Construction Charter and the provincial BBBEE
	To empower youth through national youth service (NYS) programme	Training of youth on priority technical skills	Existing NYS business plan and NYS trainees	Empowerment of youth as a priority group and an increase of technical skills	Key national scarce skills development programme

STRATEGIC GOAL	STRATEGIC OBJECTIVE	OBJECTIVE STATEMENT	BASELINE	JUSTIFICATION	LINKS
To enhance and strengthen Stakeholder Participation and management	To provide effective client liaison and management services.	To ensure sector participation	Liaison with stakeholders through summits and contractor forums. Inter-departmental liaison committees in place	To get feedback to improve service delivery	Forums strengthen stakeholder participation and client satisfaction
	To implement partnership projects	Identify existing gaps to contractors and facilitate partnerships	Enhance existing CIDB, NURCHA, DEDT partnerships	Consultations with beneficiary groups of developmental programs assist the department to improve these programs.	Partnerships ensure stakeholder participation in the consultation process
Enhance Creation of Work Opportunities	Promotion of labour intensive construction methods	Co-ordination and Implementation of EPWP phase 2 in the department	20 755 work opportunities created in the last financial year	Creation of work opportunities to alleviate poverty by contributing to the National Poverty Reduction Strategy however projects might be reduced	Provision of work opportunities

9.2 Resource Considerations

PROGRAMME 3: OPERATIONS / PROVISION OF BUILDINGS, STRUCTURES AND EQUIPMENT									
Sub-Programmes	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
	R(000)	R(000)	R(000)	R(000)	R(000)	R(000)	R(000)	R(000)	
	Actual	Actual	Actual	Adjusted Budget	MTEF	MTEF	MTEF	Projected Budget	Projected Budget
Personnel & admin related	208,796	201024	228,568	328,255	266 940	282 660	297 517	312 393	238 013
Buildings and structures	74,983	79,009	72,660	78,942	88 906	86 845	91 272	95 836	100 628
Total	283,779	280,033	301,228	322 748	355 486	369 505	388 789	408 229	428 641

Table 14.20: Summary of payments and estimates by economic classification - Prog. 3 : Prov. of Buildings, Structures & Equipment

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates				
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13	2013/14	2014/15
Current payments	260,937	224,544	244,858	334,288	249,469	246,947	273,537	293,203	312,102	327,707	344,093
Compensation of employees	161,879	155,257	170,605	186,711	186,732	184,540	206,339	218,214	229,553	241,031	253,083
Goods and services	99,058	69,287	74,253	147,577	62,737	62,407	67,198	74,989	82,549	86,676	91,010
Interest and rent on land	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	2,086	3,424	2,375	760	1,274	1,947	793	851	893	938	985
Provinces and municipalities	110	-	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	13	24	7	282	282	227	297	315	330	347	364
Universities and technikons	-	-	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-	-	-
Households	1,963	3,400	2,368	478	992	1,720	496	536	563	591	621
Payments for capital assets	20,756	52,065	53,995	72,149	72,005	68,593	81,516	75,451	75,794	79,584	83,563
Buildings and other fixed structures	19,572	50,407	51,845	70,180	70,780	67,780	80,000	74,423	74,744	78,481	82,405
Machinery and equipment	1,184	1,658	1,849	1,969	1,225	813	1,516	1,028	1,050	1,103	1,158
Heritage assets	-	-	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	301	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-	-	-
Total	283,779	280,033	301,228	407,197	322,748	317,487	355,846	369,505	388,789	408,229	428,641

NOTE: INFLATION STAYS THE SAME FROM 2012/13 TO 2013/14 & 2014/14 AT 5%. THIS WILL BE ADJUSTED IN THE ANNUAL PERFORMANCE PLAN OF THE SPECIFIC FINANCIAL YEAR.

9.3 Risk Management

9.3.1 Inadequate infrastructure Project Management internally.

- Insufficient internal project monitoring capacity affects turnaround times of infrastructure projects resulting in dissatisfied client departments.
- Lack of proper Project Management Tool resulting in poor project milestone reporting.
- Interventions including the following:
 - Filing of Projects Manager posts
 - Scope for Project Management Tool is being developed.

9.3.2 Project Management of Outsourced Projects

- Lack of consultation by other departments with public works for professional advice in terms of quality control of projects implemented by other implementing agents.
- Lack of experience in indigenous construction methods
- Lack of an Innovation Centre to test new methods and equipment
- The department is prioritizing the filling of project manager posts as well as intensive training of the incumbents to enhance capacity for infrastructure delivery

- Providing technical advice to client departments on the development of multi-year project plans

9.3.3 Building Infrastructure Backlog projects

- Late submission of infrastructure plans continues to affect the effective implementation of the IDIP approach, leading to delayed project cycles and backlogs.
- Interventions include the following:
 - Effective service level agreements and clear reporting frameworks
 - Expansion of the IDIP programme to other client departments
 - Providing technical assistance to client departments on development of multi-year project plans

9.3.4 Increasing opportunities for job creation in EPWP Phase II

- Due to budget cut there is a drastic reduction of existing infrastructure projects resulting in reduced number of job opportunities.
 - No dedicated funding for EPWP internally
 - The quality of job creation in EPWP Phase II is determined by the provision of Full-Time Employment (FTE's), and exit strategies
- Interventions include the following :
- Promotion of early submission of client department projects to allow for definition of a larger number of projects and engagements of all stakeholders as EPWP projects
 - Need to reduce the number of job created

9.3.5 Achievement of sector specific skills development targets

- Funding of training and mentorship of ECDP contractors and NYS is a challenge.
- The Department is developing partnerships with Government and non-government institutions for funding and learnership partnerships to benefit emerging contractors.

9.3.6 Quality of job creation in EPWP Phase II

- The quality of job creation in EPWP Phase II is determined by the provision of Full-Time Employment (FTE's), supported by training in business and life skills as well as viable exit strategies. Quality assurance interventions include the following :
 - Improving efficiency of approvals for training of EPWP local labourers by current partners (Department of Labour) and establishment of new funding partnerships
 - Promotion of early submission of client department projects to allow for definition of a larger number of projects as EPWP projects
 - Strengthen integration of EPWP beneficiaries with Masakhe ECDP for sustainable exit strategies (database of EPWP trained labourers, SMME training, sustained employment on other projects, linkage with sub-contracting opportunities and preferential procurement) in line with the sub-contracting policy to be developed by SCM

PART C: LINKS TO OTHER PLANS

10. Links to the long-term infrastructure and other capital plans

- To ensure minimum disability compliance in all DoPW offices in terms of toilets, ramps and voice facilities.
- To construct new district offices in line with District Municipalities
- To ensure that all DoPW offices meet the minimum energy efficient requirements and green building requirements.

Table 5.1: Links to long-term infrastructure plan

Table 14.G: Payments of infrastructure by category

Project name	Region	Municipality	Type of infrastructure		Project duration		Budget programme name	EPWP budget for current financial year	Total project cost	Payments to date from previous years	Total available			MTEF forward estimates														
			Project/admin block; water; electricity; sanitation; etc.	Units (i.e. number of facilities)	Date: Start	Date: Finish					2010/11	2011/12	2012/13	2010/11	2011/12	2012/13												
R thousand																												
New and replacement assets																												
1	Ixopo: Works District Office: Construction of new Work's District Office	Southern	Sisonke	Admin Block	1	2009/02/01	2009/10/30	3	-	21 310	687	2 500	2 150	-														
2	Southern Regional Office: New Office Park	Southern	uMgungundlovu	Admin Block	1	2009/04/01	2011/05/15	3	-	17 725	5 468	5 300	428	-														
3	Richmond NIP Site: Construction of Richmond NIP Site	Southern	Sisonke	Admin Block	1	2009/04/01	2010/08/30	3	-	3 900	24	400	-	-														
4	uMkhanyakude District Office: Construction of Mkuze District Office	North Coast	uMkhanyakude	Admin Block	1	2009/10/01	2012/03/31	3	-	20 000	1 903	10 000	9 900	-														
5	iLembe District Office: Construction of new Sub-Office	eThekwini	iLembe	Admin Block	1	2009/05/25	2012/03/31	3	-	27 000	-	-	8 040	21 000														
6	Mtubatuba District Office	North Coast	uMkhanyakude	Admin Block	1	2009/01/15	2012/03/31	3	-	30 900	5 023	18 000	4 000	-														
Total new and replacement assets									-	120 835	13 105	36 200	24 518	21 000														
Upgrades and additions																												
1	Nongoma District Office: upgrading & Additions to existing buildings	North Coast	Zululand	Admin Block	1	2008/08/26	2009/09/26	3	Yes	15 000	4 322	1 200	6 978	-														
2	Jozini Office: upgrades to existing building	North Coast	uMkhanyakude	Admin Block	1	2008/08/12	2009/03/29	3	-	1 100	91	100	-	-														
3	Newcastle District Office: Extension to existing office's	Midlands	Amajuba	Admin Block	1	2009/04/09	2010/06/28	3	-	4 200	251	400	-	-														
4	Dundee District Office: Office & reception area extension	Midlands	uMzinyathi	Admin Block	1	2008/09/10	2010/06/10	3	Yes	4 709	1 082	400	-	-														
5	Midlands Regional Office: Extension to existing office's	Midlands	uThukela	Admin Block	1	2009/01/15	2012/01/19	3	Yes	19 000	4 050	8 000	-	-														
6	Greytown Sub Office: Extension to Tugella Ferry Depot Offices and convert to uMzinyathi Sub-	Midlands	uMzinyathi	Admin Block	1	2009/02/16	2012/02/20	3	-	20 000	510	6 010	8 000	5 455														
7	eThekwini District Office: Convert existing office to District Office	eThekwini	eThekwini	Admin Block	1	2008/05/30	2012/03/31	3	Yes	8 700	-	-	1 740	6 960														
8	Pietermaritzburg: 191 Prince Alfred Street : Renovation & Additions to existing building: ph 2	Southern	uMgungundlovu	Admin Block	1	2008/07/29	2012/08/18	3	Yes	101 000	-	18 990	27 605	36 900														
Total upgrades and additions									-	173 709	10 306	35 100	44 323	49 315														
Rehabilitation, renovations and refurbishments																												
1	Various projects (LA Complex)	North Coast	Zululand	Land scaping, aircon & elec main	3	2008/07/01	2010/12/11	3	Nil	24 900	2 839	8 700	5 582	4 429														
Total rehabilitation, renovations and refurbishments									-	24 900	2 839	8 700	5 582	4 429														
Maintenance and repairs																												
1	Maintenance & repairs (All regions)	Southern North Coast eThekwini Midlands	various	various	Numerous	2010/04/01	2013/03/31	3	-	36 335	-	8 335	12 000	16 000														
Total maintenance and repairs									-	36 335	-	8 335	12 000	16 000														
Infrastructure transfers - current									-	-	-	-	-	-														
Infrastructure transfers - capital									-	-	-	-	-	-														
Total Vote 14 Infrastructure									-	355 779	26 250	88 335	86 423	90 744														

Note: Total costs represent total estimated payments of a particular project of which the project life span may not coincide fully with the MTEF period. Where projects are of a recurrent nature, the total costs are not depicted.

Note: EPWP amounts still to be determined by the department.

11. Conditional grants

Name of the grant	Property Rates payment
Purpose	Payment of rates in respect to state owned properties
Performance indicator	Payments processed and paid within 30 days of receipt of invoices.
Continuation	Continue
Motivation	Compliance with Municipal Property Rates Act. (MPRA)

12 Public entities

The Department does not have any Public Entities

13 Public-Private Partnerships

- None



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