



DEPARTMENT OF PUBLIC WORKS

PROVINCE OF KWAZULU-NATAL ~ ISIFUNDAZWE SAKWAZULU-NATALI

ANNUAL REPORT TO CITIZENS

2018–2019



public works

Department:
Public Works
PROVINCE OF KWAZULU-NATAL

ANNUAL REPORT TO CITIZENS: 2018/19 FINANCIAL YEAR

1. Who We Are....

We are the KwaZulu-Natal Department of Public Works and we have the following Vision and Mission

Vision : "An inclusive economy through sustainable infrastructure development and property management"

Mission: "To improve the life of the people in KwaZulu-Natal through sustainable infrastructure Development and Property Management."

2. What we do

The KwaZulu-Natal Department of Public Works has the following overall main services :

- Deliver the integrated Property Planning and Management services to clients
- Enhance and strengthen stakeholder participation and management (land lords and others in the sector)
- Enhance job creation through Izandla Ziyagezana
- Implement skills development within the property sector
- Achieve optimal utilisation of state fixed assets
- Erect and maintain buildings ,structures and engineering works to client specifications
- In carrying out this state 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 enterprise

The KwaZulu-Natal Department of Public Works has the following strategic goals :

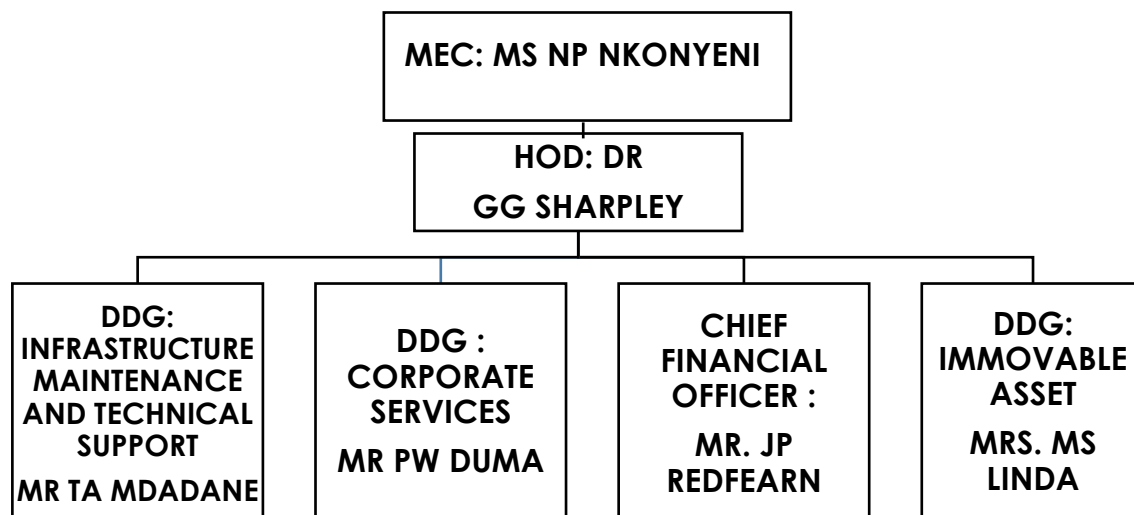
- Improved service delivery through property planning and management
- Improved service delivery through integrated infrastructure planning and implementation
- Expansion of Government –Led job creation through work opportunities

- Effective management and good governance
- Radical economic transformation through infrastructure and property delivery

3. Who is in charge?

The MEC for Human Settlements and Public Works is Honourable Ms. NP Nkonyeni. She is accountable for directing the KwaZulu-Natal Department of Public Works' activities in line with the National and KwaZulu-Natal Provincial Government's priorities.

The Head of Department is Dr. GG Sharpley, a public servant appointed to ensure that the Department efficiently implements the Executing Authorities policies and directives.



➤ Our Standards-and How We Met Them

The KwaZulu-Natal Department of Public Works has been guided by the following core values :

- Batho Pele principles
- The Citizen's Charter
- Transparency
- Excellence
- Motivated Workforce
- Sustainability
- Integrity
- Team Work
- Accountability

The KwaZulu-Natal Department of Public Works have **three** programmes :

Programme 1: Administration

Programme 2: Property Management

Programme 3: Provision of buildings ,structures& equipment (Operations)

RESULTS ACHIEVED ON PROGRAMMES

Programme 1 Administration

- In 2018/19, the department filled 78 out of 162 posts, comprising 48.2% against the target of 80%.
- The Department's achievement on people with disabilities is at 3,9% against the target of 2%.
- 70 Interns were appointed in various functional areas including technical and professional services.

Programme 2: Property Management

In the current MTSF, the Department has contributed to the National Development Plan and significant achievements made are in line with the outcomes approach adopted by Cabinet in 2009. One of the Strategic Goal relates to improved service delivery through Integrated Property Planning and Management and the Department is the custodian of immovable assets and has ensured the following key strategic achievements:

- A total of 216 hired properties were audited for space utilisation against the target of 200 (108%) to ensure that the buildings are optimally utilised.
- A total of 216 hired properties were audited for functional assessments against the target of 200 (108%) to ensure that the buildings are fully functional.
- A total of 100 state - owned facilities were audited for space utilisation against a target of 100 (100%) to ensure that the state buildings are optimally utilised.
- The department hired 82 properties (office accommodation needed by the provincial departments) against the targeted 120 properties (68%). The Department has commenced with the proposal to have district precincts which will reduce the number of leases and ensure that government functions from suitably constructed offices to render services effectively and efficiently

- The expenditure for 2018-2019 financial year was R364 338 015,14m. This reduction is mainly due to outstanding rental payments which could not be processed due to delays in receiving approvals. The Department aims to reduce this further over the next 5 years and is focused on the following:
 - Establishment of government office parks in under-resourced areas.
 - Reallocation of un/under-utilised state owned buildings and vacant land.
 - Purchase of buildings currently leased.
 - Benchmarking commencement rentals and reduced escalation rates.
- The Department paid property rates payments to the value of R728m, The initial budget allocation was R594 for the year. It must be noted that during the financial year, the Provincial Treasury further allocated an amount of R 92 million and there was further R39.1 million reprioritised internally. Due to high spending pressures, the Department overspent by R2.7 million, which equates 0.38% of the entire property rates budget allocation.
- A total of 15 properties were disposed against a target of 15 (100%). There were 15 properties let against a target of 15 (100%). In so doing, the Department ensured that priority was given to government objectives.

-13 vacant stand-alone buildings were reallocated to other National and Provincial users for refurbishment and use as office accommodation as opposed to hiring private buildings.

-1 Hospital Tuckshop let to a private organisation and 1 property let to an NGO, Youth for Christ, for the upliftment of underprivileged children and youth development

-11 properties in extent 16 447ha were donated to the Department of Rural Development and Land Reform for land claim settlement purposes.

-1 land parcels including a building in extent 3,4848ha was donated to the Majuba TVET College

-1 land parcel including a building was disposed by way of sale to the National Department of Public Works for use by the Department of Labour.

-1 building disposed by way of sale to a private person at market related value via open bid.

-1 land parcel disposed by way of sale to a private person

- The Department acquired 20 new land parcels to support improved service delivery against a target of 15 (133%).

EXPROPRIATION

The Department has successfully paid R100m towards the compensation for the acquisition of St Marys Hospital. The final balance of R42m will be paid before 1 April 2020.

The matter is at conveyancing stage for registration and transfer.

On the above strategy, one strategic goal relates to job creation as unemployment is identified as one of the major structural constraints within the Province hence the Branch has the following programme :-

IZANDLA ZIYAGEZANA LAND CLEARING PROGRAMME

This programme is aimed at ensuring sustainable work opportunities thus contributing positively to the lives of the local poor communities. The employment of the above beneficiaries includes people with disabilities that ensures they are brought into the business mainstream.

To date, the Department through this Programme has created 515 work opportunities of which:

404 Women, 211 Youth and 7 people with disabilities (some woman are also youth)

from the following Districts:

- Ugu- 40
- Harry Gwala-33
- Uthukela-56
- Umzinyathi- 36
- UMgungundlovu- 47
- Ethekwini- 145
- ILembe 12
- Zululand-52
- King Cetshwayo-72

In addition to creating jobs, the Department has finalised a policy document on Co-operatives to render Facilities Maintenance Services. To date the Department has a database of 35 Co-operatives that have registered for this service. Contracts to the value of R368,000.00 has already been awarded to Co-operatives.

Programme 3: Provision of buildings ,structures& equipment (Operations)

Furthermore, In line with strategic goals : Improved service delivery through integrated Infrastructure Planning and Implementation and Radical economic transformation through infrastructure and property delivery, Programme 3: Provision of buildings, structures and equipment (Operations) had the following key strategic achievements :

In the 2018/2019 financial year, the Department of Public Works achieved an overall Infrastructure spending of 84%

The following are noteworthy projects executed and completed on behalf of our client Departments in the 2018/19 financial year include:

- Mkhamba Gardens Primary School- Construction of New School
- Siyabonga Secondary School – Upgrades and additions
- Waterfall Primary – Upgrades and additions
- Banguni Secondary School – Upgrade and additions
- Completion of phase 13a Storm damage projects

The Department of Public Works has contributed into the initiative to eradicate unsafe and inappropriate sanitation facilities by completing 63 Sanitation projects on behalf of the Department of Education in 2018/19 Financial Year.

The “GREENING BUILDING POLICY” of all public buildings is imperative in pursuing KwaZulu Natal vision 2035. The Department has formulated the KZN Green Building Policy and is currently finalising the Green Building Implementation Plan, which are critical regulatory and operational tools for advancing the “GREEN BUILDING PROGRAMME”. The Department prioritises green growth as articulated in the Medium Term Strategic Framework.

The Department participates in a sector initiative lead by the National Department of Public Works.

The initial pilot project at the Department's Head office building 191 Prince Alfred Street has yielded significant results. The intervention has achieved energy savings amounting to 541 660kwh (90% of the target) and water savings amounting to 11 million litres (183% of the target) during 2018-2019. Essentially, the water saving is the equivalent of supply to 150 households that rely on the basic entitlement allocated to indigent households.

The Department had made strides to align itself towards the achievement of Outcome 4 : “Decent employment through inclusive growth” . The Department managed to create 6 157 Work Opportunities against a target of 6 000 and 987 Full Time Equivalents (FTEs) against a target of 600 FTEs by end of March 2019 through

the EPWP Programme . In the 2018/19 financial year, the Department implemented the EPWP Maintenance Programme across all District Municipalities including the eThekweni Metro, and the beneficiaries were recruited through Operation Sukuma Sakhe.

A total of 83 beneficiaries received Accredited Training on Plant Production for a duration of two months and it ended by the end of July 2018. In addition during the plant production training the beneficiaries were given an extra unit standard (Manage business operation) which will assist them a lot when they own their businesses.

The Provincial EPWP Programme is coordinated by the Department of Public Works. A total of 223 940 Work Opportunities and 92 709 Full Time Equivalents were reported in the Province by Provincial Departments, Municipalities and National Departments against a nationally set target of 191 423 Work Opportunities and 69 113 FTEs in the 2018/19 financial year. A total of 66 public bodies were reported on EPWP in the Province. Four (04) interventions were implemented to support Public bodies in the form of Dora Workshops, Strategic Planning Session, EPWP Reporting System Training and KZN EPWP Indaba 2018.

The successes of EPWP did not happen without constraints and limitations. Limited funding was a major constrain in terms of maximizing employment opportunities, for the poorest of the poor, unskilled and the unemployed. It is also a challenge that Infrastructure plans are not concluded on time due to delays on the side of client Departments. However, the Department continues to engage all relevant stakeholders not only towards ensuring that infrastructure planning is done in accordance with Infrastructure Delivery Management System (IDMS), but also towards leveraging funding for job creation.

4. How we intend to improve services?

During the current financial and following financial years , the KwaZulu-Natal Department of Public Works will continue:

- To alleviate poverty by creating sustainable jobs and work opportunities through various programmes i.e. Expanded Public Works Programme and Izandla Ziyagezana ;
- To develop and empower beneficiaries , particularly women , youth and people with disabilities;
- To improve integrated service delivery in the provision of building and structures ;
- To develop emerging contractors through the Eyesizwe Emerging Contractor Development Programme
- To coordinate and align operational activities in line with clients request;

Indicators and targets associated with various programmes and their strategic outcomes are indicated within the 2015-2020 Strategic Plan , the 2018-2019 Annual Performance Plan and 2017 -2018 Annual Report which are available at www.kznworks.gov.za

1. Our Organisation and Staffing as at 31 March 2019

Departmental Staff Break Down by location :

OFFICE	FEMALES	MALES	TOTALS
Head Office	234	143	377
Southern Region	107	100	207
Midlands Region	106	128	234
Ethekwini Region	107	211	318
North Coast Region	219	292	511
TOTALS	773	874	1647

Departmental Staff Break Down by category :

CATEGORY	TOTAL NUMBER	PERCENTAGE
African	1469	89.2%
Coloureds	19	1.2%
Indian	104	6.3%
White	55	3.3%

6. Our Budget

The budget allocation to the Department's vote was **R 1 681 011 000** at the end of the 2018-2019 financial year, the Department had spent **R1 675 578 000** of its budget with a net under-spending of **R5 433 000**. The under-expenditure of the budget allocation largely relates to slower than anticipated progress on infrastructure projects such as design co-ordination issues and inclement weather in the construction of the iLembe District new office building, delays in awarding the contract for the Legislature Assembly (LA) Complex in Ulundi, as well as the conversion of an existing workshop to a conference hall dining facility at the Mayville Conference Centre as well as lengthy procurement processes in appointing the health and safety agent to comply with building industry requirements for the refurbishment of the existing uMgungundlovu District office into the KZN Entrepreneurial Centre.

This is how the overall budget was spent by the Department in 2018/2019 Financial Year:

Staff Salaries	R 617 365 000
Other running costs [equipment, training etc.].....	R 314 122 000
Other Costs.....	R 744 091 000

Summary

Programmes : 1 Administration

Staff Salaries.....	R 303 060 000
Running Costs.....	R 101 169 000

2. Property Management

Staff Salaries.....	R 54 662 000
Running Costs.....	R 23 228 000

3. Provision of buildings, structures and equipment

Staff Salaries.....	R 259 643 000
Running Costs.....	R 189 725 000

Other items (transfers, subsidies and interest/rent).....R 744 091 000

TOTALR 1 675 578 000

For more information please contact :

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