

DEPARTMENT OF WORKS KWAZULU NATAL



Strategic Plan 2004

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INTRODUCTION

DESCRIPTION OF THE STRATEGIC PLANNING PROCESS

1. In terms of the Public Service Regulations, an Executing Authority is responsible for the preparation of a strategic plan for his/her department. These Regulations prescribe that the plan must contain, *inter-alia*, the following information pertinent to the Department:
 - Core objectives based on legislative mandates, functional mandates and service delivery improvements.
 - Core and support activities necessary to achieve the core objectives.
 - Functions it will perform internally and functions it will contract out.
 - Medium term goals and targets and programmes for attaining these targets.
 - Information systems.
2. This report addresses the strategic planning process undertaken by The Department of Works in its review and confirmation of its strategic direction to facilitate efficient, effective and economical attainment of its mission.
3. The framework used for strategic planning process has four basic components, which are all designed to build alignment across the entire organisation and create a culture of learning while driving success. In this process we look at the organisation as if running in from scratch and allocating resources where they are required. The four basic components are:
 - 3.1. *Establish strategic direction* - This component is designed to put management on the same page and iron out differences between members of the management team. It is one of the most important components, *as everything that follows depends on the quality of its output*. To underscore this point, many an analysis for lack of success in organisations has been cited as lack of a clear linkage of strategy to operational plans. The elements of establishing strategic direction include strategic position assessment, option generation (at strategic level), option review and selection (at strategic level) and the development of performance contracts for senior management in an organisation.
 - 3.2. *Developing the annual plan (strategic position assessment)* - This provides a basis for understanding and evaluating the operating environment of the organisation. Therefore, its key inputs to be able to do this evaluation are market and competitive assessment, trend analysis and last year's plan. The focal questions are - where are we now; and, what's likely to happen? The completion of the strategic position assessment must include the anticipated reputation of the organisation and competitive positions, consensus on key metrics / measurements and a common understanding inside the organisation starting at management level.

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- 3.3. *Implement a system to monitor ongoing performance (option generation)* – This provides for the generation of alternatives to maximise the ability of the organisation to create maximum value as perceived by its clients. In the private sector this would be called “to maximise shareholder value”. In the public sector it is called “service delivery in the most cost effective manner”. The inputs to options generation are the outputs of the strategic position assessment (i.e. strategic position assessment, previous year’s plan and operational input). And the focal questions to be answered are, given the current and anticipated environment what are our best alternatives. The key outputs will be a number of alternatives, a business case for each and a high level quantification.
- 3.4. *Prepare updated balance of the year forecasts (option review and selection)* - This last step in the strategic direction setting phase sets about to review the options generated in order to select the best option to help the organisation perform at its best. Its input will obviously be the alternatives generated in the previous small step in the process and the focal question here is what is the best alternative for each business unit.
4. Implied in all of the above is the ability of the organisation to handle all the enquiries/queries that are received on a daily basis. The output is then the consensus selection of the “best alternative”, high quantification of selected alternative and annual priorities.
5. The final output of the strategic direction setting will be the establishment of the Performance Contracts of the Executive Management of the Department. These are documented performance contracts highlighting key deliverables (goals and objectives). This is where the rubber hits the road and durability is tested. These contracts answer the following question - *what is each division/division head promising, and how should they be rewarded for achieving it?*

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PART A: STRATEGIC OVERVIEW

VISION OF KWAZULU-NATAL PROVINCIAL GOVERNMENT

6. The vision for the entire Province as formulated by its leaders in association with other role players, is set out hereunder to emphasise the relevant strategic direction that must be adopted by departments in the formulation of Visions and Missions:

“The dynamic Province of KwaZulu-Natal will be characterised by a peaceful, secure, prosperous, healthy, educated and democratic society, and as being attractive and competitive in both local and global terms. By 2020, all the people of KwaZulu-Natal will be sharing the benefits of this vision.”

MANDATES

7. The November 2003 report dealing with Service Delivery Improvement, the Annual Report of the Department (2002-2003) and deliberations at the strategic planning workshop have served as input to doing a strategic position assessment in an objective manner, with the view to effecting improvements in the fiscal year 2004/2005.
8. The mandates of the Department of Works have been divided into four categories; statutory mandates, legislation applicable to core functionaries, quasi-statutory mandates, national and provincial initiatives and special programmes.
 - 8.1. **Statutory mandates** – These form the basis for the existence of the department and its core business. This includes the following; Public service Act as amended, Section 104 (4) of the Constitution and schedule 4 of the Constitution of the Republic of South Africa 1996. All these are applicable to the entire Department.
 - 8.2. **Legislative Mandates** - There are a variety of laws that affect many of the functions of the department. They range from Construction Industry Development board Act 2000 (all professional and technical services), Property Valuers Professional Act, 2000 (professional, technical services and real estate), Council for the Built environment Act, 2000 (all professional services), Engineering Professional Act (all engineers), Architectural Professional Act, 2000 (all architects), Quantity Surveying Profession Act (quantity surveyors), Project and Construction Management Profession Act, 2000 (all professional and technical functionaries), Occupational Health and Safety Act as amended (Health and Safety Officers of the department), State Land Disposal Act, 1961 (Real Estate), Deeds Registry Act as amended (Real Estate), Expropriation Act as amended (Real Estate), Prevention of Unlawful Occupation of Land Bill (Real Estate).

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- 8.3. **Quasi-Statutory mandates** – These are taken from National and Provincial Cabinet Strategic directives, MEC, Provincial Parliament and other government support institutions. These are the White Paper: Public Works towards the 21st Century (entire department), DG's Submission of 9 April 1995 (Security Services), the Premier's address of 23 August 1999 (entire department) and Public service Act, Public Service regulations, Collective Agreements, PFMA and Treasury Regulations (finance and human resources).
- 8.4. **National and Provincial Initiatives** - These are programmes determined to address specific community needs and these are; CBPWP, Xhoshindlala Health Promotion, Schools and Waste Management
- 8.5. **Special Programmes** - These relate to specific campaigns aimed at addressing special needs that exist within the public Service and the Community at large e.g. HIV/AIDS Campaign, Affirmative Action, Disability, Employment Equity, Gender Equality and Youth Development.

VISION

“Striving to remain market leaders in the provision of public property and facilities and facilitating working opportunities and alleviating poverty in the KwaZulu-Natal Province ... ASISEBENZE.”

MISSION

“To provide a cost effective, competitive construction and real estate management service in an efficient, effective and equitable manner that will enhance job opportunities to deal with poverty.”

VALUES

9. In carrying out its Mission, The Department of Works will be guided by the following core values:
- We will be cost effectiveness without compromising quality,
 - We will uphold professional integrity,
 - We will excel in service excellence,
 - We will embrace the spirit and the principles of Batho Pele Principles

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PART B: DESCRIPTION OF STATUS QUO

SUMMARY OF SERVICE DELIVERY ENVIRONMENT AND CHALLENGES

10. The department of Works, like all departments at different spheres of government work in an environment where resources are limited, and where there is a need for the Department to address the following:
- 10.1. engagement with globalisation,
 - 10.2. operating within a tight fiscal discipline,
 - 10.3. reducing the rate of unemployment and poverty,
 - 10.4. supporting people from Historically disadvantaged communities to enter the mainstream of the provincial economy, and
 - 10.5. increase people's access to services, consistent with Batho Pele principles.
11. To identify specific obstacles to effective service delivery, a SWOT Analysis was undertaken. This is reflected as -

INTERNAL ENVIRONMENT	
Strengths	Weaknesses
<ul style="list-style-type: none">○ Experienced and knowledge in the industry,	<ul style="list-style-type: none">○ Lack of professional skills,○ Inability to attract BEE companies,
EXTERNAL ENVIRONMENT	
Opportunities	Threats
<ul style="list-style-type: none">○ Opportunity to engage existing consultants in issues of BEE, EE and AA,○ Opportunity to network with other service providers/ stakeholders and role players in the industry○ Opportunity to acquire/increase work done for client departments,	<ul style="list-style-type: none">○ Competitors in the Market,○ Image perception of the Department,○ Inability to attract high calibre staff,○ HIV/AIDS endemic

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SUMMARY OF ORGANISATIONAL ENVIRONMENT AND CHALLENGES

DEPARTMENTAL CHALLENGES

12. *Increasing projects* - Although the department has made significant progress in the last fiscal year there is a need to recognise that while the workload had been increasing the department has continued to carry this work with the same number of employees and in some instances with a declining number of employees. The minister in the annual report indicated that the Department had been losing skilled people. The fear now is that the increased workload without a commensurate increase in the number of professional and technical human resources may make it difficult to provide a level of service that the Department has set itself.
13. *Resolution 7/2002 and skills mismatch* - The moratorium introduced as a result of the implementation of resolution 7/2002 has resulted in an under-spending due to posts not being filled. Over and above this there is a mismatch in terms of the skills that are available versus the skills required to deliver services. A culture of performance and pride in the organisation consistent with the principles of Batho Pele needs to be effectively introduced.
14. *Client service* - The Department of Works has undertaken a study with a view to better understanding how its clients perceive it. This was done through the administration of a questionnaire and the results have clearly indicated specific areas requiring improvement. All client departments raised – feedback/communication, response time, project management, staff capacity, and visibility as areas that need attention.
15. *Increase the number of people at operational level* - The regions are arguing for an increase in the number of people at operational level and have done calculations to arrive at numbers required. The question is what standards have been used to arrive at the loads they have assumed to be appropriate to handle assignments. The second question is the level of knowledge of the plans of the client departments going forward.
16. *Centralisation versus decentralization* - An allied question to the problem of staffing is the centralisation/decentralisation debate that must be undertaken and decided upon at the level of the Executive Committee.
17. *HIV/AIDS* - Another challenge facing the department is that associated with the HIV/Aids endemic. The problem does not only relate to awareness campaigns but is now reaching a stage within organizations where its effects on the functioning of the department are being experienced. The department will need to develop strategies that will enable it to deliver services even within the environment that is threatened by the disease.

PART C: PROGRAMME PLANS

STRATEGIC OBJECTIVES

18. Strategic objectives are areas of organisational performance that are critical to the achievement of its mission. They are areas that describe the strategic direction of the organisation. They directly influence the outcomes of the organisation.
19. In its determination of its relevant strategic objectives, the Department has taken into account the Provincial 2020 Vision and the Department's Mandates. The Department has discussed the Provincial Priority Areas and will emphasise specific functions where these can positively impact upon these priorities. For ease of reference, the priority areas are listed as –
1. Eradication of poverty and inequality;
 2. Managing the impact of HIV/AIDS and reducing its spread;
 3. Re-engineering and enhancing integrated service delivery in government;
 4. Investing in infrastructure;
 5. Strengthening of governance; and
 6. Human capability development.
20. The strategic objectives listed hereunder were identified and adopted by the Department. The attainment of these objectives must be ensured by management (led by the Head of the Department) in developing the operational-plans of the organisation.

Programme 1 – Administration

Management

- Objective 1: To improve service delivery,
- Objective 2: To continuously improve the procurement process,
- Objective 3: To ensure effective communication,
- Objective 4: To ensure accountability,
- Objective 5: To improve financial management,
- Objective 6: To develop and manage a human resource strategy

Ministry

- Objective 1: To provide overall policy direction (both strategic and political)
- Objective 2: To monitor and reduce security threats and risks within the department,
- Objective 3: To achieve high level of beneficiary satisfaction and employment opportunities,
- Objective 4: To drive the Department's participation in the alleviation of poverty in KwaZulu-Natal,
- Objective 5: To improve the public image and the manner in which the Department is perceived,
- Objective 6: To provide response and quick services on cabinet and parliamentary matters,

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Programme 2 – Real Estate

- Objective 1: To develop an asset management strategy,
- Objective 2: To develop, review and implement standard operating procedures,
- Objective 3: To institute a Provincial preventative maintenance plan,
- Objective 4: To develop, review and implement policies of the department,
- Objective 5: To manage the roster for the appointment of Consultants,
- Objective 6: To develop norms and standards for external contractors,

Programme 3 – Provision, Structures and Equipment

- Objective 1: To provide buildings, structures and equipment to client departments timeously and according to their specifications,
- Objective 2: To improve service delivery methodology,
- Objective 3: To create an enabling environment for Affirmable Business Enterprises to do business with the Department,
- Objective 4: To initiate and coordinate strategic partnerships,
- Objective 5: To align and coordinate operational activities of the Regions in line with the Departmental strategic objectives,

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21. PROGRAMME 1: ADMINISTRATION

21.1 Management

Objective 1: To improve service delivery (Read in conjunction with Plan at Annexure “A”)

Departmental Outcomes	Ref to PP	Key Activities	Measures/ KPI	Target Date	Responsibility	BUDGET
To ensure that Departments are provided with adequate and cost effective accommodation	3	1. Establishment of a separate procurement unit.	Dedicated procurement unit	30/04/2004	CFO	R1,5 mil
		2. Implementation of plan to improve service delivery	Satisfied client departments	As per plan attached as Annexure “A”	HOD	HR costs
		3. Develop policy and procedure iro equitable distribution of work	Better work distribution	30/04/2004	CFO	HR costs
		4. Commission a skills audit	Skills data base	30/04/2004	GM: Corporate	R 0,5 mil
		5. Develop and implement a HR Plan	Implemented HR Plan	31/05/2004	GM: Corporate	R 1,0 mil
		6. Develop security policy and procedure	Implemented Security measures	31/05/2004	HOM	R 0,5 mil

Objective 2: To continuously improve the procurement process

Departmental Outcomes	Ref to PP	Key Activities	Measures KPI's	Target Date	Responsibility	Budget
To ensure that Departments are provided with adequate and cost effective accommodation	3	1. Review and update procurement guidelines.	Procurement guidelines resubmitted to HOD	30/04/2004	CFO	HR costs
		2. Approve procurement guidelines	Reduced lead times in procurement process	31/05/2004	HOD	HR costs

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Objective 3: To ensure effective communication

Departmental Outcomes	Ref to PP	Key Activities	Measures KPI's	Target Date	Responsibility	Budget
To ensure that departments are provided with adequate and cost effective accommodation.	3 and 6	1. Develop communication strategy.	Positive feedback from Staff.	30/06/2004	HOM	R 1,5 mil
		2. Issue newsletters to staff.	100% communication to staff.	Quarterly		
		3. Market Development through media and promotional items.	Feedback from clients	30/04/2004		
		4. Conduct internal seminars/workshops to staff.	Better informed staff members	30/08/2004		
		5. Conduct public perception surveys.	Improved Public perception of service delivery.	Quarterly from 30/11/2004		
		AND				
		6. Improve progress reports to management and clients	Better informed management Satisfied clients	31/05/2004	GM: Operations GM: Strategic	HR Costs
		7. Ensure electronic data management	Access to info	31/05/2004	GM: Operations GM: Strategic	R 1, 0 mil

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Objective 4: To ensure accountability

Departmental Outcomes	Ref to PP	Key Activities	Measures KPI's	Target Date	Responsibility	Budget
To ensure that Departments are provided with adequate and cost effective accommodation	3	1. Ensure that existing "code of conduct" is circulated and that all staff have been made aware of content.	Increased awareness amongst staff	30/04/2004	GM: Corporate	HR Costs
		2. Implementation of the Performance Management system	Effective measurement of work undertaken where individual KPI's/KRA's are linked to strategic objectives	31/05/2004		HR Costs
		3. Implementation of the Management Information system	More effective communication Better informed decision making	30/06/2004		R 0, 5mil

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Objective 5: To improve financial management

Departmental Outcomes	Ref to PP	Key Activities	Measures KPI's	Target Date	Responsibility	Budget
To ensure that departments are provided with adequate and cost effective accommodation.	3	1. Establish extent of implementation of Practice Notes in Department.	Fewer Audit Queries	30/04/2004	CFO	HR costs
		2. Identify regional financial controller and provide necessary training	Improved financial and budgetary control.	31/05/2004	CFO & GM Operations GM Corporate	R 0,3 mil
		3. Ensure adherence to PFMA and MTEF	Improved financial and budgetary control.	Ongoing	CFO	HR Costs

21.2 Ministry

Objective 1: To provide Strategic and Political leadership to the Department

Departmental Outcomes	Ref to PP	Key Activities	Measures KPI's	Target Date	Responsibility	Budget
To provide quick response and services on cabinet and parliamentary matters	4	1. Ensure parliament requests are dealt with promptly and efficiently	Timeous submission and improved turnaround period to parliamentary requests	Ongoing	HOM	HR Costs
To improve the public image and the manner in which the department is perceived	4	2. Develop and implement Communication Strategy	Communication Strategy	30/06/2004	HOM	R 1,5 mil

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Objective 1: To provide Strategic and Political leadership to the Department

Departmental Outcomes	Ref to PP	Key Activities	Measures KPI's	Target Date	Responsibility	Budget
To achieve high level of beneficiary satisfaction, employment creation and poverty alleviation,	4	1. Implementation of the Ministerial Special projects, resulting in job creation and poverty alleviation	Improved job opportunities and reduced levels of poverty	Ongoing	HOM	HR costs
		2. Develop and implement expanded Public Works policy	Implementation of the policy	30/06/2004	HOM	HR Costs
To monitor and reduce security threats and risks within the Department	4	Develop and implement Security and Risk Management Strategy	Implementation of the Strategy and reduced security threats	30/06/2004	HOM	HR Costs

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22. PROGRAMME 2: REAL ESTATE

Objective 1: To establish a fixed asset register

Departmental Outcomes	Ref to PP	Key Activities	Measures KPI's	Target Date	Responsibility	Budget
To ensure that Departments are provided with adequate and cost effective accommodation	3 & 4	1. Develop or acquire a fixed asset register	Functional system	30/04/2004	GM Strategic	HR costs, software acquired by Treasury
		2. Evaluate register	40% of info validated	30/11/2004		HR Costs
		3. Maintain register	All information updated	30/11/2005		HR Costs
		4. Finalise vesting process	All information validated	Ongoing		HR Costs

Objective 2: To develop, review and implement standard operating procedures

Departmental Outcomes	Ref to PP	Key Activities	Measures KPI's	Target Date	Responsibility	Budget
To ensure that departments are provided with adequate and cost-effective accommodation.	3	1. Appoint consultant to develop SOP's	Approved SOP's in place.	30/04/2004	GM : CS GM : Strategic	R 0,5 mil
		2. Develop draft SOP's		30/09/2004	GM : Strategic	HR costs
		3. Submit SOP's for approval		30/11/2004	GM : Strategic	HR Costs
		4. Implement SOP's		31/12/2004	GM : Strategic	HR Costs

23. PROGRAMME 3: REGIONAL OPERATIONS AND STRATEGIC PARTNERSHIPS

Objective 1: To develop norms and standards for external contractors

Departmental Outcomes	Ref to PP	Key Activities	Measures KPI's	Target Date	Responsibility	Budget
To ensure that departments are provided with adequate and cost-effective accommodation.	3	1. Develop norms and standards for the department and emerging contractors.	Norms and standards document.	30/04/2004	GM : STRATEGIC	HR Costs
		2. Implement norms and standards.	More effective external contractors	31/07/2004		HR Costs

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Objective 2: To improve service delivery methodology

Departmental Outcomes	Ref to PP	Key Activities	Measures KPI's	Target Date	Responsibility	Budget
To ensure that departments are provided with adequate and cost-effective accommodation.	3	Appointment of management consultants to undertake organisational and post establishment review of top structure (an objective and unbiased assessment of the current systems and operations, use to recommend on a revised post establishment.)	Draft document for approval.	30/06/2004	HOD CFO.	HR Costs

Objective 3: To create an enabling environment for HDI's

Departmental Outcomes	Ref to PP	Key Activities	Measures KPI's	Target Date	Responsibility	Budget
To ensure that Departments are provided with adequate and cost effective accommodation	3	1. Implement Construction summit resolutions	Better developed HDI's	31/05/2004	HOM/GMs	HR Costs
		2. Implement the Expanded Public Works Programme - Vukuzikthathe	Improved Employment Equity	31/07/2004	HOM	R 5 mil
		3. Formulate policy on the equitable spread of work	Equitable distribution of work	31/05/2004	GM: Operations CFO	HR costs
		4. Train SMME's in managerial skills	Improved service delivery	Ongoing	GM Strategic	HR Costs

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MEASURABLE OBJECTIVES, PERFORMANCE MEASURES AND PERFORMANCE TARGETS

2. The following table details the Department's overall balanced scorecard including the Department's strategic objectives, target and responsible officers.

Organisational BSC	Target	Weight	Champ
1. Financial To reduce operational cost of the Department	a) 5 – 10% reduction in ratio of operating costs to project costs in relation to previous year. b) To remain within budget.	20%	CFO
2. Client/Customer 2.1. To attract and retain clients. 2.2. To achieve a high level of client satisfaction as rated by client's serviced.	a) Retention of 100% of clients. b) To attract 10% of lost services each year. c) To achieve a rating of not less than 80% by end of 2004/2005.	30%	HOD
3. Internal Business Processes 3.1. To reduce the lead-time on projects. 3.2. To stay within the project construction/project time. 3.3. To utilise resources of the Department effectively. 3.4. To reduce security threats within the Department	a) Reduce cycle times by 10% by 2004/2005 and thereafter 5% each year. b) 80% of all projects completed within the milestone project period. c) To improve resource utilisation by 5% in each year. d) Reduce criminal elements and fraudulent activities within the Department by 50%	25%	HOD
4. Learning and Growth 4.1. To develop skills to enable Department to improve efficiently and effectively 4.2. To upgrade skills currently in existence in Department. 4.3. To retain skilled and professional staff. 4.4. To create an environment to raise morale and satisfaction.	a) Close 20% of skills gap. b) To upgrade 30% of unskilled and to upgrade 20% of skilled. c) To retain 80% of your preferred skills and professional staff. d) To achieve staff satisfaction p.a. (20% improvement from baseline)	10%	GM: CS
5. Beneficiary 5.1 To achieve high level of HDI/ beneficiary satisfaction and job creation	a) Create an enabling framework that will allow Affirmable Business Enterprises to do business with the Department, b) To have created 15000 job opportunities that will largely benefit the youth, rural women and physically challenged members of the society, c) HDI's and beneficiaries' involvement in projects increased by 50%	15%	HOM

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ANNEXURE A

PLAN: IMPROVEMENT OF SERVICE DELIVERY

1ST PRIORITY: <u>Procurement Procedures</u>		
<u>Problem Statement (Cause):</u> Procurement procedure is too long and cumbersome		
ACTION STEP/S	TIME LINES	RESPONSIBILITY
Revise the milestones and time frames for pre- tender and post tender procurement procedures Note: Milestones should be reviewed on an annual basis taking into account different categories of projects and legislative time frames	See Action Steps below	
Pre-Tender		
1.1 Briefing by client - Development of a comprehensive pro-forma	30/04/2004	GM: Operations
1.2 Appointment of a Project Leader and / or Project Manager (if required)	30/04/2004	GM: Operations
1.3 Appointment of Consultants - Develop a policy for the appointment of consultants including a mechanism to monitor performance and investigate possible punitive measures. Include equitable spread of work and create organogram for AOCC support. Appointment process could be: -Regional office requirement to AOCC Secretariat -AOCC Secretariat identifies the consultant -Nomination forwarded to relevant Professional Manager -Ratification by HOD where over R10 million -Respective Region commissions immediately	30/04/2004	GM: Strategic
1.4 Brief of Consultants - Time frame for briefing meetings as per reviewed milestones	30/04/2004	GM: Strategic

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1.5	<p>Approval of Sketch Plans / Estimate - Works to approve sketch plans before submission to clients</p> <p>The Department to capacitate PAC with policy composition implying the review of delegations</p>	30/04/2004	GM: Strategic
1.6	<p>Final Tender Documentation - Investigate disciplinary action for not meeting milestone dates</p> <p>Investigate possible centralisations</p> <p>Review departmental structures</p>	30/06/2004	HOD
1.7	<p>TEC - Develop a comprehensive checklist of contents of tender documentation including continuous updating of checklist</p> <p>Investigate a window period for changes to documents</p>	30/04/2004	GM Strategic CFO
1.8	<p>TAC - Establish support unit</p> <p>Procurement delegations (monetary amounts) to be reviewed annually</p> <p>Approach PA to delegate responsibility for approval of tender documents and advertising to the DTAC and not Procurement Administration</p>	<p>30/04/2004</p> <p>30/04/2004</p>	CFO GM Strategic
1.9	<p>CPC - Meeting to be held with Procurement Administration</p> <p>Ad-hoc meetings to be held by CPC on request by and at the cost of the client department</p>	30/04/2004	CFO HOD
1.10	<p>Tender Period - No compulsory site inspection meetings except under exceptional circumstances</p> <p>Tender period: R 0 - 1 million 2 weeks R 1 - 10 million 3 weeks over R 10 million four weeks</p>	30/04/2004	CFO
Post Tender			

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1.11	<p>Adjudication - Strict enforcement of 90 days</p> <p>Adjudication policy to be established</p> <p>Departmental Adjudication process completed within 45 days</p> <p>CPC process 15 days</p>	30/04/2004	CFO
1.12	<p>TEC - Establishment of the average tender guidelines to be developed</p>	30/04/2004	CFO
1.13.	<p>TAC - Delegations to be increased for the award of tenders</p>	30/04/2004	CFO HOD
1.14	<p>CPC - Approach Procurement Administration regarding frequency of meetings and the agenda lead time (21 days - reduce to 14 days)</p>	30/04/2004	CFO HOD
1.15	<p>Award of Contract - TAC Support Unit function to include monitoring of progress after CPC meetings via the Provincial Gazette etc.</p> <p>Dissemination to the Regions</p>	30/04/2004	CFO
<p><u>2ND PRIORITY:</u> <u>Capacity (Specialised) Built Environment Specialists</u></p> <p><u>Problem Statement (Cause):</u> (i) Lack of capacity (specifically skilled staff); and</p>			
ACTION STEP/S		TIME LINES	RESPONSIBILITY
2.1	Determine and ensure the provision of adequate line staff to perform the core function of the Department	30/04/2004	GM: Corporate Services GM: Operations GM: Strategic
2.2	Investigate the use of joint ventures (consultants and contractors)	30/04/2004	GM Strategic
2.3	Benchmark operational functions and staff structures against similar service providers nationally and internationally	30/04/2004	GM Strategic

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3RD PRIORITY: Management

(a) Departmental Management

ACTION STEP/S		TIME LINES	RESPONSIBILITY
3.1	Emphasize that the reason for the Department's existence must be its core focus	At Main Strategic Plan	GM Strategic
3.2	Develop and implement Management information systems to enable managers to effectively perform and report on the core function of the Department	Progress report with milestones by 30/04/2004	GM Corporate Services
3.3	Identify all committees and evaluate their necessity (Eliminate the number of committees that impede the functioning of the Department)	Report back at January 2004 MANCO	GM Operations
3.4	Implement Team building exercises	30/04/2004	GM Corporate Services

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(b) Programme Management (monitoring of all projects on an overall basis) <u>Problem Statement (Cause):</u> Lack of MTEF guidelines from most client departments (<i>external</i>).		
ACTION STEP/S	TIME LINES	RESPONSIBILITY
3.5 Programme management posts to be filled with trained staff	30/04/2004	GM Corporate Services
(c) Project Management (the man/woman physically managing the projects on site) <u>Problem Statement (Cause):</u> Lack of capacity (short staffed) and skills leads to incorrect utilisation of staff		
ACTION STEP/S	TIME LINES	RESPONSIBILITY
3.6 Evaluate Departments requirement in this regard and fill the posts	30/04/2004	GM: Corporate Services GM: Operations
<u>4TH PRIORITY:</u> <u>Delegations</u>		
ACTION STEP/S	TIME LINES	RESPONSIBILITY
4.1 Undertake immediate review of all delegations of authority Note: SOPs to be revised continuously and formally updated annually	30/04/2004	GM: Corporate Services

FINANCIALS

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Table 14.1: Summary of receipts and financing

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
					2003/04			
Provincial allocation	442,528	298,106	313,341	379,486	379,486	402,451	426,578	452,171
Total	442,528	298,106	313,341	379,486	379,486	402,451	426,578	452,171
Total payments	428,591	294,748	308,678	381,266	370,505	402,451	426,578	452,171
Surplus/(Deficit) before financing	13,937	3,358	4,663	(1,780)	8,981	-	-	-
Financing								
<i>of which</i>								
Provincial roll-overs		11,170	1,570	1,780	1,780			
Provincial cash resources		39						
Suspension to ensuing year								
Surplus/(deficit) after financing	13,937	14,567	6,233	-	10,761	-	-	-
		309,315	314,911	381,266	381,266			

Table 14.2: Details of departmental receipts

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
					2003/04			
Tax receipts	-	-	-	-	-	-	-	-
Non-tax receipts	2,681	1,270	1,427	1,388	1,717	1,758	1,773	1,837
Sale of goods and services other than capital assets	2,642	1,185	1,264	1,387	1,714	1,758	1,773	1,837
Fines, penalties and forfeits	3	3	-	1	-	-	-	-
Interest, dividends and rent on land	36	82	163	-	3	-	-	-
Transfers received	-	-	-	-	-	-	-	-
Sales of capital assets	20	4	15	-	-	-	-	-
Financial transactions	3,235	2,240	1,244	-	80	2	2	2
Total	5,936	3,514	2,686	1,388	1,797	1,760	1,775	1,839

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**Table 14.3: Summary of payments and estimates
by programme**

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2003/04	2004/05	2005/06
1. Administration	64,934	82,323	79,206	105,819	104,429	103,115	107,230	113,490
2. Real Estate	34,545	3,410	3,076	6,517	5,635	7,464	7,740	8,207
3. Provision of Buildings, Structures & Equipment	329,112	209,015	226,396	268,930	260,441	291,872	311,608	330,474
Total	428,591	294,748	308,678	381,266	370,505	402,451	426,578	452,171

Note: Programme 1 includes MEC remuneration payable as from 1 April 2003. Salary: R485,412. Car allowance: R121,353

**Table 14.4: Summary of payments and estimates
by economic classification**

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2003/04	2004/05	2005/06
Current payments	374,478	266,250	287,748	340,334	331,005	363,941	386,120	407,415
Compensation of employees	175,825	179,128	190,609	215,964	207,842	235,997	251,796	265,873
Goods and services	198,419	87,122	97,139	124,370	123,163	127,944	134,324	141,542
Other	234	-	-	-	-	-	-	-
Transfers and subsidies to:	674	694	907	973	913	1,076	1,148	1,217
Local government	491	507	537	656	528	660	706	751
Non-profit institutions	-	-	-	-	-	-	-	-
Households	38	-	-	-	-	-	-	-
Other	145	187	370	317	385	416	442	466
Payments for capital assets	53,439	27,804	20,023	39,959	38,587	37,434	39,310	43,539
Buildings and other fixed structures	50,610	19,896	15,579	28,287	26,864	31,235	33,171	37,096
Machinery and equipment	2,829	7,908	4,444	11,672	11,723	6,099	6,139	6,443
Other	-	-	-	-	-	100	-	-
Total	428,591	294,748	308,678	381,266	370,505	402,451	426,578	452,171

**Table 14.5: Summary of infrastructure
expenditure and estimates**

				Outcome		Medium-term estimates		
	Audited	Audited	Audited	Adjusted budget	Estimated actual	2004/05	2005/06	2006/07
R000	2000/01	2001/02	2002/03					
New constructions (Buildings and infrastructure)	45,747	17,701	12,504	20,065	19,323	19,491	26,314	31,310
Rehabilitation/upgrading	4,863	2,195	3,075	8,222	7,541	11,744	6,857	5,786
Other capital projects	-	-	-	-	-	-	-	-
Total	50,610	19,896	15,579	28,287	26,864	31,235	33,171	37,096

**Table 14.6: Summary of payments and estimates:
Programme 1**

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2003/04	2004/05	2005/06
	Minister's Support	1,647	2,253	2,491	5,954			
Management	63,287	80,070	76,715	99,865	98,901	96,971	100,716	106,645
Total	64,934	82,323	79,206	105,819	104,429	103,115	107,230	113,490

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Table 14.7: Summary of payments and estimates
by economic classification: Programme 1

by economic classification. Programme 1

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
				2003/04				
Current payments	62,320	76,545	75,164	95,477	94,007	98,097	102,091	108,104
Compensation of employees	39,671	43,614	43,654	51,088	49,673	63,160	65,212	68,832
Goods and services	22,649	32,931	31,510	44,389	44,334	34,937	36,879	39,272
Other	-	-	-	-	-	-	-	-
Transfers and subsidies to:	295	301	328	318	357	365	389	411
Local government	112	114	119	153	123	162	172	182
Non-profit institutions	-	-	-	-	-	-	-	-
Households	38	-	-	-	-	-	-	-
Other	145	187	209	165	234	203	217	229
Payments for capital assets	2,319	5,477	3,714	10,024	10,065	4,653	4,750	4,975
Buildings and other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	2,319	5,477	3,714	10,024	10,065	4,653	4,750	4,975
Other	-	-	-	-	-	-	-	-
Total	64,934	82,323	79,206	105,819	104,429	103,115	107,230	113,490

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Table 14.8: Summary of payments and estimates:
Programme 2

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
Personnel & Admin related	2,904	3,268	2,795	3,904	3,635	4,369	4,664	4,953
Hiring	31,639	139	231	1,541	935	2,790	2,961	3,128
Acquisition of land, control & disposal	2	3	50	1,072	1,065	305	115	126
Total	34,545	3,410	3,076	6,517	5,635	7,464	7,740	8,207

Table 14.9: Summary of payments and estimates
by economic classification: Programme 2

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
Current payments	34,530	3,349	3,035	6,470	5,609	7,340	7,712	8,177
Compensation of employees	2,820	3,007	2,657	3,585	3,225	4,056	4,322	4,582
Goods and services	31,710	342	378	2,885	2,384	3,284	3,390	3,595
Other	-	-	-	-	-	-	-	-
Transfers and subsidies to:	7	9	10	16	7	13	16	18
Local government	7	9	8	14	5	11	13	14
Non-profit institutions	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-
Other	-	-	2	2	2	2	3	4
Payments for capital assets	8	52	31	31	19	111	12	12
Buildings and other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	8	52	31	31	19	11	12	12
Other	-	-	-	-	-	100	-	-
Total	34,545	3,410	3,076	6,517	5,635	7,464	7,740	8,207

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Table 14.10: Summary of payments and estimates:
Programme 3

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
Personnel & Admin Related	145,974	147,650	160,380	182,735	175,808	193,357	208,105	219,484
Buildings & Structures	182,881	61,043	65,986	83,666	82,104	96,961	101,927	109,379
Community Based Projects	-	-	-	2,000	2,000	1,000	1,000	1,000
Prestige Furniture	257	322	30	529	529	554	576	611
Total	329,112	209,015	226,396	268,930	260,441	291,872	311,608	330,474

Table 14.11: Summary of payments and estimates
by economic classification: Programme 3

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
Current payments	277,628	186,356	209,549	238,387	231,389	258,504	276,317	291,134
Compensation of employees	133,334	132,507	144,298	161,291	154,944	168,781	182,262	192,459
Goods and services	144,060	53,849	65,251	77,096	76,445	89,723	94,055	98,675
Other	234	-	-	-	-	-	-	-
Transfers and subsidies to:	372	384	569	639	549	698	743	788
Local government	372	384	410	489	400	487	521	555
Non-profit institutions	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-
Other	-	-	159	150	149	211	222	233
Payments for capital assets	51,112	22,275	16,278	29,904	28,503	32,670	34,548	38,552
Buildings and other fixed structures	50,610	19,896	15,579	28,287	26,864	31,235	33,171	37,096
Machinery and equipment	502	2,379	699	1,617	1,639	1,435	1,377	1,456
Other	-	-	-	-	-	-	-	-
Total	329,112	209,015	226,396	268,930	260,441	291,872	311,608	330,474