



LIMPOPO  
PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA

# **PROGRESS ON IMPLEMENTATION OF SECTION 100(1)(B):**

**October 2013**

**The heartland of southern Africa - development is about people**



Project name	Deliverables	Risk and mitigation	Driver	Substanti ally reduced risks to immoveable assets register findings from 8 to 2. All findings on LAR the immoveable resolved.	When compared to February 2013, appointed PwC Rakoma financial Wavfoward: invite AG to perform preliminary audit registered.	Previous findings on financial year.	Les immoveable assets	on findings financial year.	Phase 1 Register-ble Assets	Diagnosi es: Repeat audit findings	Diagnosi es	Phase 2 Register-ble Assets	Phase 2
GM:	Project delivered a system and controls to sustain maintenance additions.	Risk: Lack of a mitigation	Driver	GM:	February 2013, appointed PwC Rakoma financial Wavfoward: invite AG to perform preliminary audit registered.	Previous findings on financial year.	Les immoveable assets	on findings financial year.	Phase 1 Register-ble Assets	Diagnosi es: Repeat audit findings	Diagnosi es	Phase 2 Register-ble Assets	Phase 2
GM:	Properties consolidate from 6 to 1.	Only one register to register from 6 to 1.	Centralized registration.	GM:	Financial Wavfoward: invite AG to perform preliminary audit registered.	Previous findings on financial year.	Les immoveable assets	on findings financial year.	Phase 1 Register-ble Assets	Diagnosi es: Repeat audit findings	Diagnosi es	Phase 2 Register-ble Assets	Phase 2
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# 1. Immoveable Assets

# ...1. Immovable Asset Register

Project name	Deliverables	Progress to date	Risk and mitigation	Driver
Immovable Asset Register- Phase 2	<u>IAR that is complete, includes all government property in Province.</u> <u>Properties have been tagged using GPS.</u> <u>Conditional assessment conducted and updated on system</u>	<u>Terms of reference for appointment of service provider completed.</u> <u>Funding issues with Treasury to be resolved</u> <u>Approaching legislature to approve funding</u>	<u>Risk:</u> Delay in the issuing of a letter of financial commitment from the Treasury  <u>Mitigation:</u> Discussions held with Treasury.	<u>GM: Properties</u>
No IAR to allow for proper planning				

Project	Deliverables	Progress to date	Risk and mitigation	Driver	Name	LIMPOPO PROVINCIAL GOVERNMENT
Lease	A substantial reduction in the office rental cost	Phase 1 - Out of the 92 buildings, 87 have been captured and quality assured	None at this stage	GM:		
Review	Properties	Phase 2 - Out of the 92 buildings, 87 have been captured and quality assured	None at this stage	GM:		
R200m	Per province	Phase 2 A - Out of the 92 buildings, 87 have been captured and quality assured	None at this stage	GM:		
Project	From R200M annual paid on leased buildings	Phase 2 B - 87 have been verified and the report on SCM processes to enter into new lease are being planned.	None at this stage	GM:		
		Phase 3 - Receive proposal outcome is not finalized.	None at this stage	GM:		

## 2. Lease review



# 3. Infrastructure delivery

Project name	Deliverables	Progress to date	Risk and mitigation	Driver
Building Technical capacity for infrastructure delivery	Build enough capacity in the LDPW to deliver quality, cost effective schools, hospitals within the planned time	<p><b>CAPACITY BUILDING</b></p> <p>1. Appointed 12 out 36 identified professionals in the current year.</p> <p>3. Thirty of our candidate project managers, qs's, engineers assigned mentors to register as fully fledged professionals.</p>	<p><b>1. Risk</b> Professional team not accepted</p> <p><b>1. Mitigation</b> Structures (PCDMI) to look at mentoring programs in lower levels.</p> <p><b>Risk</b></p>	<p>GM: Construction management</p>
No capacity to deliver infrastructure		<p><b>ALTERNATIVE METHODS OF DELIVERY</b></p> <p>1. Transferred 60% of our projects to an implementing agent to alleviate incapacity pressures. Implementing agent has appointed PSP's</p>	<p>2. Idt does not deliver</p> <p>Mitigation</p> <p>Governance at technical, management and political level established in SLA to manage the risk</p>	

Project name	BUILD ENOUGH CAPACITY IN DELIVERABLES	ALTERNATIVE METHODS	RISK AND MITIGATION	PROGRESS TO DATE	DELIVERABLES	DRIVER
LIMPOPO	the LDPW to deliver... implementation agent has appointed PSPs in 100% of districts, quality, cost and delivery	...Mitigation at government level	GM: construction in management	the LDPW to deliver the projects.	2. All 76 (R316m) appointed PSPs in 100% of districts, quality, cost and delivery	efficiency
GECHINQI	the LDPW to deliver the projects.	...Mitigation at government level	GM: construction in management	the LDPW to deliver the projects.	2. All 76 (R316m) appointed PSPs in 100% of districts, quality, cost and delivery	efficiency
CAPECILLY	the LDPW to deliver the projects.	...Mitigation at government level	GM: construction in management	the LDPW to deliver the projects.	2. All 76 (R316m) appointed PSPs in 100% of districts, quality, cost and delivery	efficiency
HINTERSTU	the LDPW to deliver the projects.	...Mitigation at government level	GM: construction in management	the LDPW to deliver the projects.	2. All 76 (R316m) appointed PSPs in 100% of districts, quality, cost and delivery	efficiency
CHURCH	the LDPW to deliver the projects.	...Mitigation at government level	GM: construction in management	the LDPW to deliver the projects.	2. All 76 (R316m) appointed PSPs in 100% of districts, quality, cost and delivery	efficiency
DELIVERY	the LDPW to deliver the projects.	...Mitigation at government level	GM: construction in management	the LDPW to deliver the projects.	2. All 76 (R316m) appointed PSPs in 100% of districts, quality, cost and delivery	efficiency
HOSPITALS	the LDPW to deliver the projects.	...Mitigation at government level	GM: construction in management	the LDPW to deliver the projects.	2. All 76 (R316m) appointed PSPs in 100% of districts, quality, cost and delivery	efficiency
TIME	the LDPW to deliver the projects.	...Mitigation at government level	GM: construction in management	the LDPW to deliver the projects.	2. All 76 (R316m) appointed PSPs in 100% of districts, quality, cost and delivery	efficiency
PLANNED	the LDPW to deliver the projects.	...Mitigation at government level	GM: construction in management	the LDPW to deliver the projects.	2. All 76 (R316m) appointed PSPs in 100% of districts, quality, cost and delivery	efficiency
WITHIN THE	the LDPW to deliver the projects.	...Mitigation at government level	GM: construction in management	the LDPW to deliver the projects.	2. All 76 (R316m) appointed PSPs in 100% of districts, quality, cost and delivery	efficiency
1-30 NOVEMBER 2013	the LDPW to deliver the projects.	...Mitigation at government level	GM: construction in management	the LDPW to deliver the projects.	2. All 76 (R316m) appointed PSPs in 100% of districts, quality, cost and delivery	efficiency
FROM 15 NOVEMBER TO 30	the LDPW to deliver the projects.	...Mitigation at government level	GM: construction in management	the LDPW to deliver the projects.	2. All 76 (R316m) appointed PSPs in 100% of districts, quality, cost and delivery	efficiency
NOVEMBER 2013.	the LDPW to deliver the projects.	...Mitigation at government level	GM: construction in management	the LDPW to deliver the projects.	2. All 76 (R316m) appointed PSPs in 100% of districts, quality, cost and delivery	efficiency
FROM SAKHISO,	the LDPW to deliver the projects.	...Mitigation at government level	GM: construction in management	the LDPW to deliver the projects.	2. All 76 (R316m) appointed PSPs in 100% of districts, quality, cost and delivery	efficiency
MANAGEMENT AND CLOSING	the LDPW to deliver the projects.	...Mitigation at government level	GM: construction in management	the LDPW to deliver the projects.	2. All 76 (R316m) appointed PSPs in 100% of districts, quality, cost and delivery	efficiency
OF THIS PROJECTS.	the LDPW to deliver the projects.	...Mitigation at government level	GM: construction in management	the LDPW to deliver the projects.	2. All 76 (R316m) appointed PSPs in 100% of districts, quality, cost and delivery	efficiency
4. 48% ON OWN PROJECTS	the LDPW to deliver the projects.	...Mitigation at government level	GM: construction in management	the LDPW to deliver the projects.	2. All 76 (R316m) appointed PSPs in 100% of districts, quality, cost and delivery	efficiency

## 4. Infrastructure delivery



# 5.CFO Capacity

Project name	Deliverables	Progress to date	Risk and mitigation
Building Capacity in CFO office	<u>Reduction in AG findings and clean audit.</u>	<p><u>1.PwC Rakoma appointed in February 2013 to provide technical support</u></p> <p><u>2.3 senior manager appointments in Accounting, budgeting and SCM awaiting approval by Minister</u></p> <p><u>3. Reduction in AG findings from 160 to 130.</u></p> <p><u>4. Developed an AG action plan and making good progress in the key areas that gave disclaimer. (tar, accruals, rental debtors, movable assets)</u></p> <p><u>5. Eleven officials (PBL) and 10 on AAT NQF 3+4.</u></p>	<p><b>Risk</b></p> <p><u>PwC project abandoned, neglected until next audit.</u></p> <p><b>Mitigation</b></p> <p><u>1.MEC established oversight in his own office.</u></p> <p><u>2.PwC overseeing teams and building on the job capacity with officials.</u></p>
Poor capacity AND capability in CFO.			

Project	Deliverables	Progress to date	Risk and mitigation	Driver	Organisational	Corporate	Structural	Current	Not	Address	NG	Infrastructure	Culture						
LIMPOPO	name				A structure	GM:	GM:	Organisational	that	addresses	the core	mandate of	DPW is in	Structure	not	address	NG	infrastru	culture

## 6. Organisational Structure



# Other issues

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## Good governance and PFMA compliance

- Reduction from 49 to 13

## Do we have people to do the work?

- We are doing the work with the people
- Appointment in senior positions under the new structure
- Training initiatives

- Role of LDW vs Other Department
- ...Other issues
  - Where does it start where does it end
  - What is status of maintenance in Province?
    - (Stats results)
  - Where do proposals and their role in infrastructure

## ...Other issues

# Sustainability

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- HOD Role in the LDPW
  - Reviewing performance agreements after operational plan review
  - Responsibility for existing plans
- Responsibility for the identified projects
- Appointment to senior positions in the new structure is key
- Oversight exercised by Executive
- Strengthened role of the LPT (SCM, SOP, centralised database)

- Oversight exercised by Executive
- Structure is key
- Appointment to senior positions in the new
- Responsibility for the identified projects
  - Responsibility for existing plans
  - Operational plan review
  - Reviewing performance agreements after
- HOD Role in the LDW

## Sustainability