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**MINISTRY OF PUBLIC WORKS**

**REPUBLIC OF SOUTH AFRICA**

**QUESTIONS ASKED ON 05 OCTOBER 2017**

**ORAL RESPONSES TO THE COMMITTEE**

| **NO.** | **ITEM** | **ORDER OF QUESTIONS AND RESPONSES** |
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|  | CONSTRUCTION PROJECT MANAGEMENT: | **HON MADLOPHA (ANC) ASKED:**  **Question 1: What is the reason for delays in getting approval of the infrastructure project designs?**  Delays are mainly due to scope changes by Clients during the design process, poor concepts designs by Consultants and lack of internal professional capacity. The department has currently started implementing the IDMS process that will minimise the weaknesses identified relating to poor planning and budgeting processes. The process does not encourage scope creep.  **Question 2: What action was taken against the defaulting contractors?**  With regard to the C-Max Correctional Facility, the department is currently conducting investigations which seeks to uncover the following:   * Determine whether set Departmental procurement processes were followed in the appointment of the contractors, initial and subsequent. * Determine whether payments made to the initial contractor whose contract was terminated due to failure to fulfil the terms of contracts were justifiable and/or the Department received value for money for payments made. * Determine whether these payments were made as a result of gross negligence or a corrupt relationship between the Departmental officials and the contractors. * Determine whether the Department received value for money when appointing the second contractor and also to determine whether the appointment of second contractor was in lined to the DPW procurement processes.   The Department is anticipating to conclude the investigations before end of the year.  The practice is that the defaulting contractors are subjected to penalties in terms of delays that are not contractual. They are further subjected to termination where penalties are failing to be the deterrent. Whenever terminations are effected, after due processes have been followed by the internal restriction committee, recommendations are made to National Treasury for listing.  Further to the above, the Department through its legal processes, recover the financial losses incurred from the defaulting parties.  **Skilpadhek Border Post, C-Max & Van Rhynsdorp Correctional Facilities**:  **Question 3: What is the reason for double expenditure on these projects?**  Skilpadhek Border Post:  The contractor was granted extension of time, (EoT) subsequently change in original completion date and attracted additional costs in the form of CPAP and P&Gs:   * EoT 1: Process of appointing nominated subcontractor took no longer than anticipated. Site was handed over to all Sub-Contractors on the 4th May 2009 (54 Days). * EoT 2: Process of acquiring private business in the area of development was prolonged due to negotiations & internal processes and approval of temporary bypass (88 Days) * EoT 3: Contractually and in accordance with JBCC 2000 clause 14.1 “the contractor shall have the right to select the security to be provided. Such security shall be provided to the employer within twenty one (21) calendar days. Hence extension time was granted to eighteen (18) days. * EoT 4: Appointment of landscaping could not be finalised until building work prove advancing or else we would be paying double standing time. (137 Days) * EoT 5: Nominated Electrical contractor was granted extension of time(17 August 2011) sixteen (16) days * EoT 6: Nominated Electrical contractor was granted extension of time (01 April 2012) sixteen (16) days   C-Max Correctional Facility:   * The excessive increase on expenditure was caused by the following items which were managed in terms of the conditions of contract, JBCC :- * Variation Orders of the gallows that led to the redesign of the facility to include amongst others, the reception area to the value of R 25 903 981.91 * The above variation order necessitated the extension of the original completion date by   640 days   * The extended completion date was associated with the following, P & Gs to the value of R 2 220 518.71 * The total project CPAP amounting R 15 372 272.28 is not part of the original contract amount but added on to the progress payments based on the issued indices by STATS SA   Van Rhynsdorp Correctional Facility:  The following contributed to excessive expenditure on the project:-   * 344 approved variation orders to the value of R 35 221 585 was initiated by both the Client and professional team * The above additional necessitated an extension of the contractual completion date from 11/10/2009 to 10/11/2011/11. * In additional to the original contract amount of **R 192 756 473**, the following expenditure was incurred in line with the conditions of contract :-   CPAP = R30 688 465  P&Gs = R 27 560 594 (extended period)  VOs = R 35 221 585  -----------------------------  TOTAL R 286 227 117  --------------------------------  **Question 4: Why there is a delay of so many years? Because it talks to the escalation that will make the project to be so high because of the escalation caused by the delay of the project**  Skilpadhek Border Post:  The Project was tremendously delayed due to various reasons which include but not limited to the following:   * **Clearing Agent Container:**   There was truck clearing agent container on site and refused to vacate site until alternative place is identified for his business. The professional team had to redesign some of the road around the container to avoid further delays.   * **Vacation of existing facilities:**   Resistant of User Clients (BCoCC) to vacate the old facilities (offices) and relocate to newly completed facilities was on the critical path for completion and handing over of the entire development for full utilisation.   * **Acquisition of properties:**   Project was further delayed by acquisition of a tavern, a motel (private businesses) on the area of development. The acquisition process was concluded when the contractor was already on site.   * **Existing Infrastructure:**   Relocation of Electrical (by Eskom) and telecommunication infrastructure (by Telkom) in the area earmarked for development also affected construction work.   * The department took a decision in 2007/ 2008 to empower historically marginalized individuals and potentially emerging construction firms. * The approach was intended to redress the imbalances of the past and job creation through subcontracting of construction works in the three contracts. * The approach was unprecedented and served as a pilot method in the department.   C-Max Correctional Facility:   * the greater part of the delays were contractual and were due to added scope * The second contributor to the delays were due to poor performance by the contractor attributed to cash flow problem. * Attempts were made by the Department to assist in the improvement of the cash flow by providing the R11.2 Million cash advance, administered in terms of the conditions of contract, of which was later recovered.   Van Rhynsdorp Correctional Facility:   * The additional scope as alluded above led to extended completion date * After the extended completion date, the contractor’s production on site started slowing down and was subjected to penalties from October 2009 to December 2013 * During the said period, the contractor was subjected to a penalties and R 5 168 702.96 was deducted from the contractor’s progress payments * The contractor was warned for not performing to standard and placed In-Mora in various occasions * On the 06/12/2013 the contractor was placed into provisional liquidation. The liquidators did not opt to complete the work * The department approved the contract cancellation on 05/06/2014 and the guarantor stepped in to complete the works * The guarantor started with the works on the 21/04201 and reached practical completion on the 29/06/2016 * This time delay effectively means the project had no progress for a period of 16 months   **Deville Wood Memorial in France (Page 217 – AR)**:  **Question 5:** **According to SAHRA’s report to the PC on Arts and Culture, it was reported that the company working on project was not found in the system or was not registered: Just share with the Committee on what is happening there?**  The Deville Wood Memorial & Museum - France, is a property under the ownership of the Republic of South Africa and the National Department of Public Works is the constitutional custodian.  However, South African Heritage and Resource Agency (SAHRA) was assigned by the Department of Arts and Culture to transform Delville Wood Memorial & Museum. The service provider was appointed by them.  The contractor responsible for transform of Delville Wood Memorial & Museum was procured and appointed by SAHRA. |
| **HON FIGG (DA) ASKED:**  **Question 6: Why do we have that situation, why do you first of all give one Project Manager 20 projects, don’t we have enough project managers in the country to manage the projects?; and Why do you do something knowing that there is a risk rather than getting it right upfront?**  Due to the delay in finalising the implementation of the new approved organisational structure, there was a delay in the filling of critical vacant position. The department has now advertised Projects managers positions. |
|  | REAL ESTATE MANAGEMENT SERVICE (Leases – page 20 – Presentation & 68-69 – AR) | **HON MADLOPHA ASKED:**  **Question 1: How many leases that have not been renewed?; and also Indicate the duration and rental rates of all the leases**  The Department lets out its surplus properties to members of the public.  The maximum lease period that the Department leases properties, where no suitable state-owned property is available, from the private sector is 9 years and 11 months. Depending on the need and other considerations such as relocation, IT and security costs etc. the Department may extend or renew the lease period at the request of client departments, or when there is no decision by client department as a temporary reprieve.  **Reasons leases have expired:**  As part of National Treasury’s cost cutting measures, the Department has been granted approval to negotiate and renegotiate leases to achieve a saving of around R800 million per annum. Leases that have since expired will be negotiated to achieve favourable market rentals. Attached is a report on leases that have expired (not yet renewed) with the duration and rentals rates for each lease contract as at end 30 September 2017. Refer to **Annexure REMS – Leases** |
|  | EXPANDED PUBLIC WORKS PROGRAMME (EPWP) | **HON MADLOPHA (ANC) ASKED:**  Auditor’s report indicated the following:   * the beneficiaries were noted to be deceased * Identity numbers of beneficiaries found to be invalid * Attendance registers and proof of payment were not always submitted * Some of the beneficiaries’ names were found in different projects whereas they are working in one project   **Question: The department was allocating the Recording Clerks in different regions so that they get valuable information, what happened to that project? What is it that the department is going to do to rectify this?**   * The Expanded Public Works Programme-Reporting System (EPWP-RS) allows for monthly payment data of a deceased participant to be captured up to the month the deceased participant has passed away. Thereafter there would be no movement in the person-days of employment of the deceased person, hence no further payment data can be captured in the EPWP-RS beyond the participant has pass on. * The department conducted an investigation on the invalid ID numbers found by the AG. It was established that the fifty six (56) participants that were found with invalid IDs during the audits had new Identity Document (ID) numbers recorded at Home affairs. The ID numbers in the system were the old ID numbers as they were relevant at the time the data was captured. The EPWP-RS which is directly linked to the Department of Home Affairs system for ID verification has been enhanced to ensure that when someone captures an ID number, it validates and provides the new number. * According to the Ministerial Determination, Section 12, the employer must keep records of employees such as ID copies, attendance registers and proof of payments for a period of 3 years from the project end date. Many implementing public bodies have indicated challenges with keeping such records, such as storage space for the records. Hence contractors keep such records and they fail to make it readily available. * Participants are allowed to work in multiple projects in the EPWP as long as the days worked in a particular month do not exceed 23 day. For example, a participant can work 8 days per month in a Household Contractor Programme and work for the remaining days (of the 23 days) in another programme such as a Waste Collection projects. * Therefore a participant can be captured in more than one project with the control measure in the system being 23 days of employment reported per month - the system does not allow for more than 23 days per month to be captured. In addition, each employment period, of a participant, must be terminated on the system in a given financial year. |
|  | FRAUD AND CONSEQUENCE MANAGEMENT | **HON MADLOPHA (ANC) ASKED:**  **Question 1: Why is there no action taken against the corrupt-doing; and what action has been taken against those who are failing to take action against the corrupt-doing?**  **Question 2: Is there a Performance Contract for the Senior Management in the department?**  For the 2016/17 financial year **162** SMS submitted their performance Agreements and **17** failed to submit their performance Agreements. Warning letters were issued for SMS members who did not comply.  **Question 3: The Committee should be given progress with regard to the remedial action on the findings of the AGSA report**  *The presentation was submitted to the Committee Secretariat on 13 October 2017 in compliance with the Committee’s request.*  **Question 4: The Department must be zero-tolerant to corruption**   * Anti-Fraud and Corruption has become a significant measure of good governance in Government. In order to achieve good governance and effective service delivery, an Anti-Fraud and Corruption Strategy and measures must be put in place to prevent fraud and corruption. * DPW has an approved Fraud Prevention Strategy which is being rolled out across the Department. * The strategy identifies basic fraud and corruption prevention measures, which are already in place within the DPW. * The strategy evolves as DPW makes changes and improvements in its drive to promote good governance, accountability and effectively fight fraud and corruption. * The Plan/Strategy is reviewed periodically to enable the strategy to be effective in responding to nature of the prevailing challenges.   *STATISTICAL OVERVIEW ON INVESTIGATIONS CONDUCTED and OUTCOMES of INVESTIGATIONS:*   * Anti-Corruption and Fraud Statistics   (See annexure)   * Special Investigation Statistics   (See annexure) |
|  | STABILISATION OF LEADERSHIP AND THE DEPARTNENT | **HON SITHOLE (IFP) ASKED:**  **Question 1: If there is no stabilised leadership, how is the department going to implement a successful 7 year turnaround strategy because that stabilisation was part of the turnaround strategy?**  The Director General and the Head of PMTE positions are vacant after the incumbents resigned from their positions. Both positions were advertised and in a process of being filled.  The department has also advertised the following Senior Management positions:   * Chief Financial Officer * Senior Executive Officer : Head PMTE * Divisional Head :Construction Management * Divisional Head Real Estate Management Services * Divisional Head Small Harbours |
| **HON RYDER (DA) ASKED:**  **Question 2: (Department’s Position?): A Radical policy change is needed - we need to step back and relook at what Public Works is doing (i.e. reflecting on the core mandate and refocussing the department’s priorities)** |
|  | SMALL HARBOURS | **HON SITHOLE (IFP) ASKED:**  **Question: When the Committee was doing an oversight in the Western Cape Province, there were some challenges on Small Harbours about the budget. What is the plan for the department to help those small harbours because there were some crisis during our oversight?**  Item 1: Special Intervention Programme to the 12 Harbours   * Emanating from the Infrastructure Budget Committee of DPW chaired by the CFO, the concerns related to the budget cuts were raised and it was recommended that the Small Harbours Repair Programme to the Proclaimed Fishing Harbours be moved from Planned Maintenance to DPW Capital Works which will assist in obtaining the required funding to execute the required scope of works.   Item 2: Convening of the Operation Phakisa: Oceans Economy: Small Harbours and State Coastal Property Delivery Laboratory   * A meeting was held with the Director General and it was affirmed that funds will be allocated to the SH&SCPD Division to convene the Operation Phakisa Delivery Laboratory. The cost implications of convening the Laboratory is approximately R50 Million. |
|  | INNER CITY REGENERATION PROGRAMME | **HON SITHOLE (IFP) ASKED:**  **Question: there is nothing been said in the Annual Report (AR) of the Department about the Inner City Regeneration programme. Has the department closed this programme, has it been completed/finished, what happened?**  Since 2014, the Inner City Regeneration Branch is within the Planning and Precinct Development Branch. The mandate as per the Cab memo is being fully enforced in collaboration with City of Tshwane to ensure that all government departments are accommodated within the 4 Inner City Precincts.  The accommodation profile and progress of the Tshwane Programme for National Government Departments is as follows:   * The lease portfolio within the Inner City and in the outskirts of Pretoria has been quantified as 790 000m². * 15 User departments are accommodated in state-owned buildings which totals approximately, 765 000m².   Major Developments in Planning for Tshwane that is scheduled for completion by 2023 for 11 National Departments within the identified precincts:   * Salvokop Precinct – 360 000m2 (The Township Establishment has been approved with 3 PPPs registered – in feasibility stage for the Departments of Correctional Services, Social Development and Higher Education & Training) * Northern Gateway Precinct – 370 000m2 (3 Sites acquired from City of Tshwane for development of Head Offices for COGTA, Water & Sanitation, Human Settlements * Capital Hill Precinct – The full potential of development in this precinct is estimated at 200 000m², and commitment has been received for the expansion of the DAFF Head Office. |
|  | INDEPENDENT DEVELOPMENT TRUST (IDT) | **HON SITHOLE (IFP) ASKED:**  **Question: What is the department doing to help the IDT on the disclaimer as the entity of the department, and on the IDT losing its clients?**  The IDT leadership has been directed to develop and submit a Turnaround Strategy, which amongst other, should focus on issues of financial governance and management, as well as business development, stakeholder management and ensuring timely delivery of projects.  The Policy Branch will interrogate and input into the formulation of the Shareholder Compact with the IDT and the Entity’s Turnaround Strategy. Policy guidance will be directed at ensuring that there is a clear focus and commitment by the IDT towards the realisation of government’s policy objectives. The key policy objectives pertain to transformation of the construction sector, empowerment, enterprise development, job creation and poverty eradication. |
|  | ADVERSE OPINION | **HON FIGG (DA) ASKED:**  **Question 1: What is the outcome-effect of mistaking or misrepresenting figures?**   * The misstatement was as a result of errors in the measurement of the extent of the properties in determining the deemed cost with the transfer of functions. This had a consequential impact on depreciation and the net surplus of the entity. * The quality review processes implemented by the Department to prevent such errors failed. * The Department will review its quality review processes to identify possible misstatements. A detailed audit remedial plan was developed to re-measure the extent of properties where the values is unreasonable.   **IAR Point of View: The R26 Billion Misstatement on the IAR**   * The context of the error should be focused on as often times the number reflected on may lead to incorrect assumptions. The 26 billion was primarily caused by (1) one property that had an incorrect extent captured resulting in an overstatement when the deemed-cost was applied. The actual error on this property was R10 billion which also resulted in an error in the related depreciation recalculated by the AG. The corresponding extrapolated depreciation error of R10 billion was also largely attributable to the same property. * Thus in providing context to the R26 billion error, it is evident that the misstatement is primarily due to an error occurring at one property out of 93 943. (This is a land parcel with a facility primarily used by the Department of Home Affairs in Mpumalanga).   **Question 2: Explain the comment that ‘the entity incorrectly recognised expenditure as additions to Property, Plant and Equipment’**  **Incorrect classification of Capital expenditure (Capex) and Operating expenditure (Opex) on the IAR:**   * The incorrect classification of expenditure between capex and opex was caused by the complexities involved within the classification process. * The Works Control System (WCS) for projects is not able to track and account for amendments that may occur in the scope of work during the lifecycle of a project. * There are legacy issues such as the lack of supporting documentation due to projects being very old, project managers who are no longer within the department who can provide clarity regarding the works undertaken and projects being older than 5 years that need to be classified. * The processes currently in place are designed and configured for the purposes of a modified cash environment and not for an entity that has to comply with Generally Recognised Accounting Practice (GRAP) Standards.      * PMTE further inherited 2033 active projects as at 1 April 2013 from DPW that were classified in accordance with the Modified Cash Standard (MCS), these projects are now subject to complying with GRAP recognition requirements that are not in alignment with MCS. * The above mentioned shortcomings are however, addressed in the detailed audit action plan wherein the Department will seek to engage the AGSA, National Treasury and Client Departments once a position paper has been finalised and all stakeholders within the Department work jointly to ensure that classification of expenditure does not become a repeat area of concern for the AGSA and the Department. * To provide further clarity as to the difficulties experienced in classifications of expenditure, other User Departments have been qualified with regards to Assets Under Construction. This has resulted in National Treasury having a detailed intervention with all the affected Departments. A workshop hosted by National Treasury was held on the 12th and 13th of October 2017 to address challenges emanating from capex and opex classifications so all stakeholders move in the direction of arriving a viable solution to a long standing, complex issue.   **Question 3: How did all these errors result in an overstatement of R26 Billion worth of assets?**  See Response to Question 1 above. |
|  | OVERDRAFT OF R1.9 BILLION (PMTE) | **HON FIGG (DA) ASKED:**  **Question: When is the overdraft going to be serviced?**   * The Department is reviewing the business processes of the PMTE. A detailed plan, incorporated into the operational plans of the PMTE, has been developed. Lease recoveries and changes in the payment of leases is to be implemented on 1 November 2017 with the implementation of the lease-in module on Archibus. * Other changes relating to the recovery of debt requires policy changes and possible budget reforms that requires assistance from National Treasury. Discussions to the later has already commenced with National Treasury. Finally, income generating policies will have to be developed and implemented to ensure long-term financial stability for the PMTE. |
|  | R109 MILLION UNDER-EXPENDITURE | **HON FIGG (DA) ASKED:**  **Question: An under-expenditure implies that certain targets have not been met and that is the concern. How are we going to rectify that?** |
|  | IMMOVABLE ASSET REGISTER (IAR) | **HON FIGG (DA) ASKED:**  **Question 1: The AGSA told the Committee that the department is still using an Excel system in 2017 (managing about 27000 land parcels and 91000 properties). What are the costs of that system/package, whether it was being used and when can we expect that to be implemented?**  **Utilization of Excel for the IAR**  Currently awaiting the detailed costs from ICT.   * In terms of the IAR Operating Model, key focus areas include capacity, systems and business processes in order for the IAR to meet PMTE business requirements and Service Delivery Objectives. * The IAR has been uploaded onto the Archibus system. The IAR is downloaded at each financial year end to process amendments via excel and adjustments that may need to be captured. * The IAR is submitted to AGSA in excel format in order to allow the AG to perform all their requisite tests. The inputs into the IAR are all on systems. The geographical Information system (GIS) is utilised which provides some of the inputs used in the IAR. * The physical verification data is also capture on a system further emphasising that systems are used in the creation of the IAR. The final output and adjustments are however conducted via excel. * The Archibus system is scheduled to go live on 1 April 2018. Pilot runs of the system will begin on 1 November 2017 with any snags identified to be rectified before 1 April 2018.   **Costs of the system/package and its was implementation:**  The Department is implementing SAGE and ARCHIBUS system to replace the legacy systems (WCS and PMIS) in the management of this property portfolio.  ARCHIBUS is a management system for:   * Real estate management solutions * Infrastructure management solutions; and * Facilities management solutions.   The IAR has been migrated to ARCHIBUS, however the financial reports are developed on Excel. This will be eliminated once ARCHIBUS is fully implemented.  SAGE is a financial management system for:   * Accounts payable (Implemented) * Accounts receivable (Implemented) * Budgeting (Implemented)   **Procurement:**  SAGE has been on use since 2013, cost is R21m; Archibus stores asset register, cost R16m. Poor contractor’s payment was withheld after several warning letters.  ARCHIBUS interface to SAGE is outstanding and will be implemented as part of the ARCHIBUS rollout which will allow for GRAP reporting |
| **HON RYDER (DA) ASKED:**  **Question 2: Is the PMTE not using their Accounting System that they have procured than sitting with +92 000 assets listed on an Excel spreadsheet? *(raised in the context of security and reliability versus the size of the portfolio)***  **Same Response to Question 1 and additional comment below:**   * The IAR has been uploaded onto the Archibus system. The IAR is downloaded at each financial year end to process amendments via excel and adjustments that may need to be captured. * The IAR is submitted to AGSA in excel format in order to allow the AG to perform all their requisite tests. The inputs into the IAR are all on systems. The geographical Information system (GIS) is utilised which provides some of the inputs used in the IAR. * The physical verification data is also capture on a system further emphasising that systems are used in the creation of the IAR. The final output and adjustments are however conducted via excel. * The Archibus system is scheduled to go live on 1 April 2018. Pilot runs of the system will begin on 1 November 2017 with any snags identified to be rectified before 1 April 2018.   The credibility of the information is ensured through the maintenance of the IAR on Archibus and the generation of amendments on the GIS system. |
|  | STAFF WHO LEFT THE DEPARTMENT (Pg. 106 OF AR): | **HON FIGG (DA ASKED:**  **Question 1: Resignations - In terms of resignations as one of the reasons why staff left the department, why somebody is resigning?**  **208** of the **864** was due to resignation. In the majority of the resignation the reason is better remuneration or permanent appointment: 30 were resignation before contract expire, 122 were contracts appointments, 80 were permanent, 6 on probation.  **Question 2: Expiry of Contract - the staff that left at the end of the contract, are they no longer required in the department? In other words, is it that the services that they were performing had become redundant, or who replaced them?**  In a lot of the cases the employees were extended until 30 September 2017 to allow the Department to advertise permanent positions in line with the new organisational structure to afford employees on contract an opportunity to apply and compete for permanent positions. |
|  | PMTE OVERDRAFT | **HON RYDER (DA) ASKED:**  **Question: Because the Department acknowledges that they know where the problems are, is there a consequence management in place?**   * Discussions with National Treasury has commenced regarding the non-payment of debt by other Departments. One of the issues relates to the surrendering of funds by Departments on projects that have been delayed. * The same issue is experienced relating to the payment of historical municipal debt that cannot be recovered from Departments due to a lack of information. As the Department is the default custodian of properties for National Government, the Department is also responsible for the municipal accounts on these properties. As changes occur on the ownership of properties on an annual basis that are not in the control of the Department and various issues are experienced relating to historical ownership, it is not possible to accurately budget for these municipal accounts. * These factors, together with continuous budget pressure, have a detrimental impact on the bank overdraft. |
|  | RISK MANAGEMENT REGISTER | **HON RYDER (DA) ASKED:**  **Question/Request: A copy of the Risk Register is requested to be shared with the Committee Members so that the committee can effectively see where the risks lie going forward.**   * The Strategic Risk register for the entire department including PMTE and DPW and the Fraud Risk register has been shared with Portfolio Committee meeting as requested (**See Annexures).** * The Department also identifies operational risks at Regional Offices and Chief Directorate level in Head Office that are as a result of employees, internal processes, systems contractors etc. * The IDT has identified the litigation risk as one of the strategic risk threatening the achievement of its objectives, and have put in place controls and strategies to mitigate the legal risk. * DPW Risk Management Unit has requested all 4 Public Entities to present their Strategic Risk register to the Risk Management Committee meeting as one of the strategies to provide an oversight. * The risk of litigation against/ by the Department has identified at DPW Head Office and Regional Offices by Legal Services unit and controls have been identified to address that risk. |
|  | MINISTER’S POLICY PRIORITIES | **HON RYDER (DA) ASKED:**  **Member’s position: These policy priorities are so broad and so theoretical:**  **(The policy needs to be focussing on operational work that the Department of Public Works needs to be doing as the department. “The department needs to get back to the basics”**  **If policy is not addressing your operations, you are actually not empowering your teams to get out there and do their jobs).**   * The Policy Statement is intended to provide strategic direction to the Department. Line function managers then determine the steps needed to reach the imperatives articulated in the Policy Statement. The outputs identified by the line function managers then get included in the Annual Performance Plans and the activities/ processes get included into the Operational Plans. * The Department is in the process of reviewing the current operational (1997 and 1999) White Papers. The review process will amongst others, consider the mandate, deepening transformation in the construction and property industries, empowerment, intergovernmental arrangements, as well as international best practices with respect to the public works function. |
|  | BUILDING/PROPERTY MAINTENANCE | **HON FILTANE (UDM) ASKED:**  **Question: Is there a clear understanding, on the part of the departments that use your buildings, about what their responsibilities are? Do you have a written contract between various departments as well as yourselves? And how regularly do you check on whether they are doing their bit to maintain the buildings?**  The responsibility for maintenance between DPW and Client Departments is regulated by the Day to Day Maintenance Guidelines which are issued by DPW. These guidelines details the maintenance activities and the financial threshold that are carried out by both DPW and Client departments.  DPW is obliged to conduct regular condition assessment for all facilities in compliance with GIAMA. However, due to resource constraints, DPW conducts condition assessment on a prioritized basis depending on the criticality and the condition of the facility. |

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**MINISTRY OF PUBLIC WORKS**

**DATE:**