



**PROGRESS REPORT TO THE AD-HOC
COMMITTEE OF THE NCOP**

**INTER-MINISTERIAL TASK TEAM FOR THE
NORTH WEST PROVINCE**

16 AUGUST 2018

Overview

- Introduction
- Update – the process thus far
- Monitoring and reporting system
- Highlights of progress
- Summary progress reports
- Conclusion

Introduction - What the report contains

- Report covers Section 100(1)b departments and includes Dept. of Local Government and Human Settlements.
- Contains overview of progress as well as detailed reporting against intervention plans.

Update

APRIL VIOLENT PROTESTS SPREAD ACROSS NORTH WEST

25 APRIL CABINET INVOKES SECTION 100(1)(B) FOR NORTH WEST DEPARTMENT OF HEALTH

30 APRIL - 17 MAY EXTENSIVE ENGAGEMENTS BY IMTT IN NORTH WEST

21 MAY HEALTH AND DSD STAFF RETURN TO WORK

23 MAY CABINET INVOKES SECTION 100(1) FOR 10 NORTH WEST DEPARTMENTS

23 MAY PREMIER RESIGNS

7 JUNE IMTT BRIEFS PROVINCIAL LEADERSHIP IN MAHIKENG

12 JUNE FIRST IMTT PROGRESS REPORT TO NCOP

14 JUNE IMTT BRIEFS NCOP AD HOC COMMITTEE

19 JUNE HEALTH SERVICES DISRUPTED IN PROTEST OF HODS RETURN

22 JUNE NEW PREMIER SWORN IN

27 JUNE NORTH WEST GOVT, NATIONAL TREASURY & A-G PRESENT TO NCOP AD HOC COMMITTEE

28 JUNE MOU SIGNED BETWEEN NATIONAL GOVERNMENT AND NORTH WEST PROVINCE

10 JULY PREMIER INTRODUCES ADMINISTRATORS TO MANAGEMENT

2 AUGUST FIRST MEETING OF COORDINATING COMMITTEE IN MAHIKENG

16 AUGUST SECOND IMTT PROGRESS REPORT TO NCOP

Update – the process thus far

- Administrators for Section 100(1)(B) Departments established in Mahikeng and assigned Accounting Officer authority (10 July 2018).
- NW West Coordinator appointed and coordinating mechanism established.
- Introduction of Administrators to Premier and EXCO.
- Participation by Administrators in Premier's Roadshows to meet public servants in the four districts.
- Protocols/Directives developed and signed with 10 departments.
- Coordinating Committee (Provincial HoDs and National Intervention leaders) established.
- Forum for Administrators formed.
- Monthly reporting and monitoring system developed and operational.

Monitoring and Reporting System

- Fortnightly progress reporting against intervention plans; monthly narrative reporting from all intervention teams
- Key Result Areas are as follows:
 - Effective implementation of Section 100(1) intervention plans
 - Clean governance and institutional capability
 - Improved service delivery
 - Improved labour relations
 - Effective communication and public accountability
 - Effective coordination of intervention
- Current focus on reporting against intervention plans.
- As intervention progresses, focus will move towards measuring outcome and impact.

Highlights of progress

- Irregular contracts are being weeded out, irregular expenditure is being contained, audit findings are being addressed.
- Credibility of supply chain management practices is being restored, relations with external stakeholders is improving (particularly within the Health sector).
- Agreement reached with unions on Community Health Worker (CHW) contracts, with the exception of three sub-districts.
- Cost-effective methods for building schools are being introduced.
- Good relationship with Premier and Administrators and growing commitment from management and staff.
- Platforms created for instituting recovery plans in the 12 most distressed municipalities.

Summary progress reports

This section presents summarised progress reports for departments that have been placed under Section 100(1)(b), as well as the Department of Local Government and Human Settlements.

OFFICE OF THE PREMIER

Intervention revolves around four intervention plans:

1. Invoking Section 100 (1b) as it applies to the Office of the Premier (OTP);
2. Assessing all Project Management Unit (PMU) contracts and outsourced government business;
3. Attending to the breakdown of relations between the provincial administrations, workers and communities; and
4. Providing transversal support services to turn around service delivery.

Key achievements

- Institutionalisation of Section 100 (1), including securing the buy-in of senior management and staff.
- Restoring credibility of supply chain management practices both within the OTP and the administration through the reaffirmation of legal and ethical practices.
- Tightening up of processes for payments that exceed R200 000 as well as assessing the costs-benefits in the use of Project Management Units across the provincial administration.

NORTH WEST DEPARTMENT OF HEALTH

Intervention covers a broad terrain aimed at restoring the functionality the provincial health system as a whole:

Key achievements

- Agreement reached with unions on the contracts of Community Health Workers.
- Process initiated for procurement of essential equipment for primary health care facilities.
- Outstanding payments for Emergency Management Services being processed.
- Extensive discussions with labour representatives to improve labour relations.
- Posts in the office of the CFO advertised to mitigate against financial challenges.
- Wastage of budget resources due to poor contract management, irrational processes such as paying monthly maintenance for idling equipment is being addressed.
- Discussions continue with National and Provincial Treasury as part of the process of costing PHC and hospital services, to improve standard of service provided.

NORTH WEST DEPARTMENT OF HEALTH

Risks and threats that the intervention is dealing with:

- The threat of labour and community unrest and persistent wastages in supply chain management processes continue to pose a risk.
- Lack of capacity at the level of staff and institutions is a challenge to the implementation of intervention plans.
- Institutional incapacity is delaying the payment of providers by up to 8 months and thus impacting on health outcomes.
- Wastage of budget resources due to poor contract management, irrational processes such as paying monthly maintenance for idling equipment.

DEPARTMENT OF EDUCATION AND SPORTS DEVELOPMENT

Department faces generalised breakdown in governance and financial mismanagement. The expected outcomes are geared towards restoring governance structures and credibility of data across the entire education value chain:

Key achievements

- Non-payment for services rendered is one of the major causes of discontent of providers and beneficiaries alike. The administrator is clearing up the submission backlogs that date back as far as 2014 to restore trust and essential services.
- Intensive investment by the intervention team on stakeholder engagement to build support for the turnaround plan.
- The process of addressing the audit finding of R1,1 billion in irregular expenditure has started and it has been possible to remove R350 million of expenditure for learner teaching support material from the irregular amount.
- The task of establishing a cost effective method of building schools has started.

Main challenges

- Poor quality of submissions to the intervention team and time-consuming verification of information and documentation for payments.

DEPARTMENT OF COMMUNITY SAFETY AND TRANSPORT

Transport Management intervention focuses on strengthening internal controls and systems; Community Safety prioritises the establishment of a Provincial Secretariat for Police Service, and strengthening internal capacity and improving relations with SAPS:

Key achievements

- Signing-off of the 2017/18 report to the Auditor-General;
- Streamlining supply chain policies, procedures and processes, particularly for Learner Transport service providers; and
- Helped the North West Transport Investments in negotiations for contract for commuter transport with Gauteng Province;
- Development of detailed plans for addressing short-comings in community safety department.

Main challenges

- Widespread levels of demotivation among staff, which means the intervention team does not have a much support among workers;
- Lack of cooperation between the Department of Community Safety and the provincial SAPS.

Threats

- Budgetary constraints mean that the intervention is unable to address challenges.
- Messy supply chain management and aggrieved service providers could result in litigation and protests, especially with regard to learner transport contracts.

DEPARTMENT OF PUBLIC WORKS AND ROADS

Key achievements

- Signing of the memorandum, the responsibilities matrix and project charters.
- Relational and communication channels have been established with the major stakeholders for successfully implementing intervention plans.
- A task team has been established to review the functioning of cooperatives in the province as well as resolving issues of non-payment on part of the department.

Main challenges

- The intervention is the heightening level of expectations among communities, that naturally carry a sense of urgency.
- Many of the grievances have deeper roots and therefore cannot be resolved within the short timeframes that aggrieved communities expect.

Threats

- Outstanding legal cases against the department, unresolved disciplinary cases, disputes over payment and disgruntled communities.
- High vacancy rate of executive level management positions, coupled with alleged threats against staff members for actively supporting the intervention efforts.

DEPARTMENT OF LOCAL GOVERNMENT AND HUMAN SETTLEMENTS

Focus on reviews of recovery plans of municipalities, the development of service delivery models (along with a review of organisational structures) and strengthening the monitoring, evaluation and oversight framework to track the intervention.

Key achievements

- 12 municipalities have passed resolutions approving recovery plans.
- Sewage spillages has been addressed in Ditsobotla municipality, (MISA working with SANDF).
- Section 139(1)(a) directives issued regarding:
 1. Post Audit Action Plans.
 2. Appointment of senior managers.
 3. Acceleration of spending on infrastructure grants.
 4. Development of financial recovery plans.
 5. Review bloated municipal organizational structures.
 6. Implementation of Back to Basics Support Plans and
 7. Improve service delivery to communities to curb service delivery protest.

DEPARTMENT OF LOCAL GOVERNMENT AND HUMAN SETTLEMENTS

Challenges

- Delays with the finalisation of the departmental structure due to pending evaluation by the Department of Public Service and Administration and the Office of the Premier.

Threats

- Underperformance of contractors in housing sector creates threat of unrests due to non-delivery. Plan for engaging communities on the details of intervention plans.

CONCLUSION

- The intervention in the North West Province has been in implementation mode in real terms only since the Administrators were given powers as Accounting Officers on the 10th July 2018.
- Despite the short time period advances are being made to stabilise the governance and service delivery challenges within the province.
- Work is currently focussed on addressing irregular contracts, containing irregular expenditure, dealing with audit findings, restoring credibility of supply chain management practices, and building relations with stakeholders.
- The Section 100 (1) intervention is making headway towards restoring normalcy with respect to governance and service delivery in the North West Province.

NGIYATHOKOZA DANKIE KE A LEBOGA
NGIYABONGA
NDIYABULELA
INKOMU NDI KHOU
LIVHUHA

Thank you



planning, monitoring
& evaluation

Department:
Planning, Monitoring and Evaluation
REPUBLIC OF SOUTH AFRICA

